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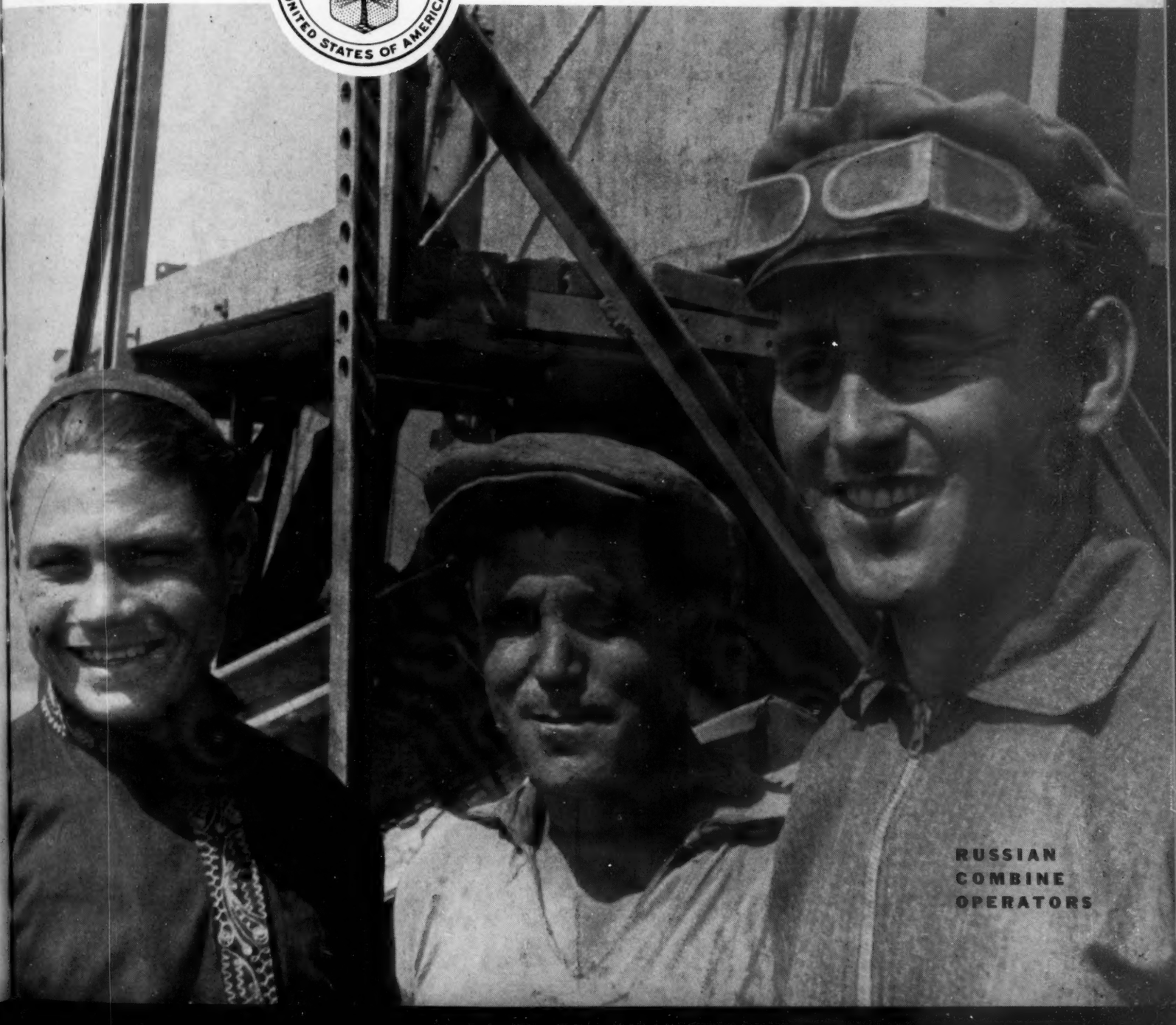

RUSSIAN COMBINE OPERATORS

Foreign Commerce Weekly

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Russia Restores Reoccupied Areas

Extraordinary Record of a Tremendous Project, *More Than Fulfilled*

By E. C. Ropes, *Russian Unit, Bureau of Foreign and Domestic Commerce*

SINCE THE GERMAN ATTACK on the Soviet Union in June 1941, the news in the Moscow press has been confined almost entirely to reports of the war, accounts of battles, and recently orders of the day heralding the victorious westward march of the Red Army. As a result it has been difficult if not impossible to study and describe economic events in their true significance, or as part of, first, the great retreat eastward, and second, the even greater westward drive and reoccupation of territory devastated by the German forces in their temporary control and forced abandonment of the areas now once more in Russian hands.

Ambitious Program

In the Soviet press of August 22, 1943, however, there was published a long decree, dated August 21, of the Council of People's Commissars of the U. S. S. R. and the Central Committee of the Communist Party, listing the various steps that should be taken as the enemy evacuated Province after Province. The requirements of this decree seemed ambitious, and hardly possible of realization considering the many obstacles to be overcome. Yet, another report in the Moscow papers of February 5, 1944, indicates that the directives were not only fulfilled but in part *exceeded*—reflecting the tremendous effort that was devoted to this important work, and the strength of the Soviet people, though shattered by the loss or destruction of their property and reduced in numbers by the impact of the war on the rich farming areas that the Germans had unsuccessfully attempted to conquer and hold for their own benefit.

The decree of August 21 provided an outline, often filled out in detail, of the measures to be taken by the Government, both Federal and local, and the inhabitants themselves of the areas named, in close cooperation, to restore the homes and buildings that had been destroyed, build up again the livestock population of the farms, and finally carry out farming operations and fall planting of winter crops on the land that could be tilled with the facilities available.

Ten Great Lines of Endeavor

The steps to be taken were 10 in all, briefly stated as follows:

I. Return to the collective farms of the livestock evacuated to the East.

II. The per capita increase of livestock on the farms of the Liberated Areas.

III. The restoration of poultry raising on the collective farms.

IV. Exemptions in connection with deliveries of agricultural products to the State.

V. Relief in seed for farms for the fall planting in 1943.

VI. Restoration of machine-tractor stations and machine-tractor repair shops.

VII. Assistance in the restoration and building of dwellings for farmers, etc.

VIII. Restoration of railroad stations, railroad sheds, and other structures.

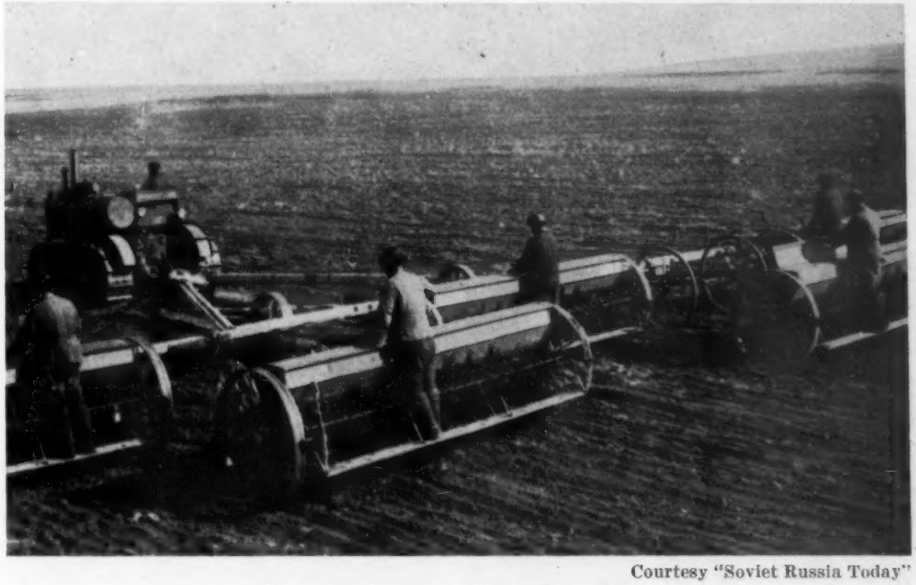
IX. Grant of allotment garden plots and exemption from obligatory deliveries for railroad workers.

X. The organization for children of soldiers and guerrillas, and for orphans of the German occupation, of military schools, trade schools, children's homes, and receiving and distributing stations.

For Thorough Rehabilitation

It will readily be seen from a review of the categories listed that nothing less than a thorough rehabilitation of the areas covered by the decree (Provinces (Oblasts) of Kalinin, Smolensk, Kursk, Orel, Voronezh, Rostov, and Stalingrad, and Stavropol and Krasnodar territories (Krais), a total of 272,150 square miles)—a re-housing of the population that remained there, with the addition of those that returned from evacuation—and a restoration of a considerable portion of the herds and flocks that were on the farms in peacetime, and of the bulk of the seeded area of these farms, would satisfy the specifications of the decree, which were presented in detailed tables and precise instructions.

For instance, for Category I the livestock to be restored to each Province, divided into large horned cattle, sheep and goats, and horses, and the undevastated areas which were to supply these animals, were specifically listed: the totals amount to 197,166 cattle, 341,421 sheep and goats, and 52,939 horses. Much of this stock had originally been evacuated eastward; the call for its return included any progeny that might have been produced during the intervening period Careful count of all animals delivered, after veterinary inspection, was to be followed by distribution to the collective farms left stripped of stock by the retreating Germans.



Courtesy "Soviet Russia Today"

Spring sowing in the Stalingrad region.

Categories II, providing for the increase of the individual cows and other animals owned by collective farm members, and III, covering the restoration of poultry flocks of collective farms and the expansion of their numbers, are similarly worked out in detail, even to the breeding stock to be supplied by the Government (500,000 head), the number of incubator chicks (9,600,000) to be provided, the number of new hatcheries (55) to be set up, and the building materials, sheet steel, piping, and related equipment needed to construct these hatcheries, and the fuel to run them.

Peasants reoccupying their farms after restoration of the areas were to be exempted from obligatory deliveries of produce or meat to the government in 1943, either partially or completely, according to the degree of destitution of each group or kind of farm, except for small quantities of grain and sunflower seed, and of potatoes, in certain areas. Variations and exceptions in this category were numerous, suited to the complex character of the products themselves, the different peasant households, the location of the farms, and the ability of the peasants to reap a harvest in 1943—which varied, of course, by locality and the date of reoccupation.

Large-Scale Assistance

Government aid on a large scale was provided for the effectuation of Categories V and VI: seed for fall planting totaled 55,000 metric tons, allocated according to area, subject to replacement from the 1943 and 1944 harvests. Additional quantities of seed grain, bringing the amount up to more than 100,000 tons, were to be supplied to collective and State farms. Similarly, for the rehabilitation of the machine-tractor stations and repair shops—both Federal networks of vital importance to the areas concerned, particularly because of the shortage of draught animals—the Government undertook to bring back large quantities of tractors, plows, seeders, combines, and other tools, from the districts to which they had been evacuated.

In addition, the provision of spare parts, the repair of machines, the supply of new machines, and even the reopening of some small plants to repair motors and other equipment, were required of local Government bodies and a number of the industrial commissariats, as needed and possible in each oblast or krai. Building materials, and most important of all, spare parts, electric assemblies, and carburetors, were assigned in necessary quantities, to put tractors in working order.

Skilled working personnel of the collective farms who had been evacuated were all to be returned to their home districts, at Government expense, and, in addition, newly graduated agricultural specialists were to be assigned as needed. The all-important matter of fuel and lubricants was also left to Government and Army agencies, to be provided out of stocks available, by the dates when they would be needed, August 24 to September 15; Caucasian wells were to be drawn upon for additional quantities.

Tackling Housing and Railways

The question of housing for the returning peasants (VII) was handled in two ways: by delivering standard barracks structures, to be built in 13 new mills erected in the reoccupied districts; and by setting up numerous plants to manufacture building materials, of local materials, clay, limestone, and concrete. For individual home building, 7-year credits up to 10,000 rubles to each family were made available by the Agricultural Bank. All industries in the areas, as they were restored, were to construct the necessary housing for their workers.

Restoration of service on the railroads (VIII) in the districts reoccupied, over and above that made by the military in their westward march, was obviously an "unpostponable duty," and the Commissariat for Railroad Transport, and all Party and Soviet organizations, were specially charged with a series of specific duties, to be executed by January 1, 1944, consisting of restoration on all lines of all buildings possible of repair, and construction of new temporary stations. Men and tools were supplied to start the work, and more were promised as needed; all personnel were ordered housed in temporary standard barracks, factory-made. Horses, lumber, and other building supplies were provided in quantity, delivered to building sites.

To make this railroad restoration work more attractive, all workers assigned to the job were to be allotted private plots (IX) of not over a third of an acre, on which they could plant and raise food crops. No deliveries to the Government of produce from these plots, or of meat or milk from any stock they might maintain, would be required. These men were also offered home-building loans, of 7-year term, and materials from local stocks.

Most Significant Point

Point X in the decree of August 21 is perhaps the most interesting of all, in demonstrating the care taken by the Soviet Government to avoid the repetition of the problem, so acute after the war of 1914–18, of the hordes of orphaned, homeless, destitute children that could not be absorbed into the population. For the children of Red Army soldiers and guerrilla fighters, and for orphans of parents killed by the Germans, a series of schools, trade training centers, special children's homes, and receiving and distributing stations, were ordered set up.

The first were to be called Suvorov military schools, of which nine, with barracks buildings for 500 occupants each, were to be built, distributed throughout the reoccupied districts; the course is the 7-year type, and the pupils are housed, fed, and clothed at Government expense. Of the trade-schools 23 were created, for 400 pupils each, with a 4-year course of training. Homes for little children are provided to accommodate 16,300, as well as 1,750 babies.

All the children, before final assignment by locality and kind of school, were to be collected into 29 receiving stations, from which later distribution was to be made. This section of the decree presents material of much interest, but of too great length and detail to be included here.

What Were Actual Results?

The world is familiar with Soviet plans, but the careful study of the results attained, as compared with what was undertaken, is not always satisfactorily feasible, because of lack of documentation. For this reason the second report

Courtesy "Soviet Russia Today"

On a Russian railway. Many of the *stations* on the Russian lines are now being restored, after the devastation wrought by war.

mentioned, published February 5, 1944, of "The Execution of the Decree of August 21, 1943" presents unusual interest, especially because of its record of achievements in wartime. The paragraphs of the report follow the 10 divisions or points of the original decree, and will be presented in the same order.

Point I, the return of stock evacuated to the East, was more than fulfilled. Against the proposed numbers of different kinds of livestock, an excess of 12,287 large horned cattle, 25,344 sheep and goats, and 1,673 hogs were shipped to the reoccupied Provinces and delivered in good condition, often on the hoof, to the collective farms. Veterinary inspection was applied to over 570,000 head, and careful organization by Party, Soviet, and farm agencies, and the erection of transfer stations on the Ural, Volga, and Terek Rivers, are given the credit for the successful drive.

Remarkable Success

Point II was also executed with remarkable success, though here no fixed numbers were set. The Government purchased and sold to the collective farms a total of 250,613 head of livestock, consisting of 173,870 sheep, 17,020 goats, and 59,723 hogs. In addition, the farms and farm members in sections of the oblasts listed that had never been subjected to occupation contributed 178,158 head of stock to their neighbor farms; among these were 68,830 large cattle, 97,510 sheep and goats, and 1,585 hogs. The plan for raising calves, which called for 604,000, produced 886,800, or an excess of 47 percent; while 689,100 large cattle and 197,700 sheep and goats were raised or bought on contract. To rebuild wrecked barns and sheds, 1,610,000 cubic meters of lumber and timber were supplied from local government forests, while to treeless sections 5,015 cubic meters were hauled in. Barns and other structures to accommodate all stock were completed before the winter set in.

For the training of farm technicians and specialists the plan for setting up schools was also exceeded: 71 schools for budding veterinarians, their assistants, and technicians in animal husbandry were opened (with 8,402 pupils), instead of the 66 planned.

In summary, the collective farms of the reoccupied districts received 1,723,201 head of livestock from the fulfillment of the program adopted, including those in all the above-listed categories.

Similarly, the plan (III) for restoring the domestic poultry flocks of the ravaged collectives was over-fulfilled. Instead of the 500,000 birds promised, 516,853 were delivered and sold to the farms specializing in poultry raising. Of the incubator stations planned, 20 were in operation before January 1, 1944, and 10 more were being completed on February 1.

Exemption Situation

Point IV covering exemptions for farmers in the reoccupied districts from deliveries of produce, meat, and milk to the State, is given in full, as it reflects the Soviet social differentiation, even among the farming population, with considerable clarity. In addition to the seven oblasts and two krais listed, it applied also to six oblasts in the Ukraine that had undergone complete, though temporary, German occupation. The results were as follows:

Courtesy "Soviet Russia Today"

New trade schools for Russian youth are being established today in the war-racked areas.

Kind of produce	Number of collectives subject to deliveries	Number of collectives exempted		Number of farm members, individual farmers, etc., subject to deliveries	Number of farmers exempted	
		Number	Percent		Number	Percent
Grains	29,702	5,737	19.3	2,512,061	1,345,443	53.6
Potatoes	25,996	6,912	26.6	3,271,156	1,630,084	49.8
Meat	12,411	2,986	24.1	2,977,275	1,635,258	54.9
Milk	7,459	672	9.0	2,261,137	1,339,185	58.8
Hay	24,155	3,197	13.2			
Vegetables	19,070	4,408	23.1			

In addition to the above classifications, complete exemption from deliveries in kind to the State was granted to the following:

785,783 farmsteads belonging to Red Army and guerrilla fighters.

202,629 farmsteads belonging to people incapacitated by age.

21,385 farmsteads belonging to teachers, doctors, or other professional people.

52,566 farmsteads belonging to pensioners and invalided veterans.

In the provision of seed for fall sowing, under Point V in the decree, the desired distribution fell short of the planned quantity: instead of 120,120 metric tons of seeds, only 96,324 tons were actually allocated.

Machine-Tractor Stations

But the program (VI) for restoration of the ruined machine-tractor stations was executed with greater success; totals reached were 575 MTS and 960 of the necessary repair shops. To these stations 5,972 of the tractors evacuated were restored, and to the shops 912 metal-cutting machine-tools. Farm machinery supplied also exceeded estimates, with a total of 14,388 binders, mowers, plows, and other implements, against 14,253 proposed. Building and other materials, such as lumber, glass, cement, were also made available, as well as an ample supply of spare parts, electric assemblies,

(Continued on p. 43)

Photo by Owen Lattimore; Courtesy National Geographic Society

Caravans plodding ahead through the western Mongolian desert. They are laden with brick tea; their destination is Chinese Turkestan.

MONGOLIA—

Vast and Little-Known Central Asiatic Area, Recently In the News by Reason of a Border Incident, Presents Challenging Questions as to Resources, Trends, Trade, And Possible Future Outlook. Here Are the Major Facts

By ILLARION G. MATVEEV, *Far Eastern Unit, Bureau of Foreign and Domestic Commerce*

PROBABLY NO COUNTRY represents a more classic example than Mongolia of the continental climate—that is, the type of climate characteristic of the interior of a continent, beyond the influence of modifying winds from the ocean . . . marked by wide ranges of temperature, both annual and diurnal.[1] Dry cold winters and equally dry hot summers, with strong winds blowing almost continually the year round, are the peculiarities of the country. Its mean temperature ranges from 15° F. in January, the coldest month, to 65° F. in July, the hottest month. The average rainfall in the central part is about 10 inches. As a whole, the country is arid and unsuitable for agriculture. But, being a country of "high grass," as it is known in Asia, it provides ideal conditions for raising sheep, goats, horses, the yak (a bison type of Central Asia), camels, and other animals.

Knowledge of Mongolia is indubitably scanty, and even the little that is known has been confined not so much to the country or to its economic wealth as to the people, especially to the glory of their past. The Mongols, brave, daring horsemen and fierce fighters, before whom the world trembled for nearly three centuries, inhabit almost all Central Asia. They sprang into prominence at the beginning of the thirteenth century when the conqueror, Genghis Khan, unified first the insignificant Tartar Tribes wandering between the Onon and Kerulen Rivers, and then the rest of Mongolia's nomads.

Mongols Conquered Europe

Following this unification, the Mongols under Genghis Khan's leadership swept across Asia and a large part of Europe, striking terror into the hearts of city dwellers and the agricultural population alike. Within a few decades after this swift conquest, unprecedented in the history of that time, they had created an empire of their own from the Pacific to the Carpathian Mountains, comprising China, India, the states of Asia Minor and Russia. And in that vast empire still the Mongols remained nomads, as they are today. Their harsh rule over a conquered world became known in the history of Russia as the "Scourge of God."

Today, however, the Mongol no longer strikes terror into the hearts of vanquished humanity. Peaceful now are the sons of the Far Eastern desert and steppes, obedient to their tribal laws, honest and hospitable. Instead of ravaging and devastating lands, as they did under Genghis Khan and Tamerlane—Timur the Lame, whose memory is still fresh in Mongolia—the Mongols have been inclined to seek glory of life in Buddhism. They adhere to the specific form of Lamaism which was made a sort of state religion by Genghis' grandson, the great Kublai Khan, in the latter part of the thirteenth century. It is said that each family in Mongolia considers it a sacred duty to make the oldest son of the family a lama. In recent times, with the inauguration of close affinity between the U. S. S. R. and Outer Mongolia, however, the servants of Lama, or the living Buddhist deity, have been discouraged in their activities.

Strategic Position

Apart from social and economic aspects, the *strategic* importance of Mongolia, especially in the present great struggle in the Pacific, represents by far the world's most immediate interest in it, and perhaps overshadows all other considerations. Long before Russia secured a foothold in Vladivostok, or Manchuria had drifted into Japan's orbit of military movement on the Asiatic mainland, Mongolia was viewed as a stabilizing factor of peace in Central Asia in

[1] New Standard Dictionary, p. 501.

regard both to Russia and to China. The Mongols and the geographical location of their country were responsible for it, although the Russo-Japanese War of 1904–1905 was fought on the neighboring soil of Manchuria, allegedly to solve the problems of East Asia's ports and railways. The creation of "Manchoukuo" and the origin of the present war in Asia also may be traced to Manchuria; but in the face of questions of hegemony in central and eastern Asia, Mongolia appears to be a focal point for potential military activities to which the previous battles in Manchuria could be considered a mere prelude.

Ill-Defined Boundaries

Geographically Mongolia occupies a vast area of desert and plain in East-Central Asia that separates Soviet Russia's eastern dominions from China, but except on the north its boundaries are largely undefined, or ill-defined. On the north its boundary runs with that of Siberia to the Altai Mountains; on the east and southeast it runs with that of "Manchoukuo," but just where Mongolia begins and Manchoukuo ends is unsettled. On the south that area which was once called Inner Mongolia has now become, de facto at least, the Japanese-controlled "state" of Meng Chiang, which includes almost all the Chinese Provinces of Chahar, Suiyuan, and Ninghsia with a slice off the northern tip of Shansi. On the west, modern maps run only a provincial boundary line between Mongolia and Sinkiang, or Chinese Turkestan (see accompanying map).

Mongolia's Political Status

Politically the country is quite as difficult to define as geographically. Traditionally an outlying dependency of China, the agricultural area along the borders of China Proper, dominated by Chinese settlers, was called Inner Mongolia, while the vast area north of and including the Gobi Desert was known as Outer Mongolia. Since the Chinese Republic was established in 1911, however, the ancient "banners" of the Mongols have undergone many vicissitudes. In 1921 the Northern Mongols of Outer Mongolia, "core of the Mongol nation," accepted the influence of Soviet Russia and set up at Urga—since renamed Ulan Bator Khota, the City of the Red Hero—an Outer Mongolian People's Republic. While disclaiming any political dependency upon Soviet Russia, the Outer Mongolian Peoples' Republic is undoubtedly of the Communistic type, and equally disclaims subjection to China.

Subsequently, and in the wake of the Manchurian Incident of September 1931, by which Japan established the puppet state of "Manchoukuo," the Eastern Mongols inhabiting the Provinces of Chahar and Barga came, by 1935, under the sway of the puppet "state." Then, under a program directed toward establishing "autonomy" for the Mongols, the traditional Mongolian administrative system, based upon an hereditary nobility and the old Lamaistic hierarchy, was exchanged for the iron rule of Japan's military authorities. A new state, "Meng Chiang" (meaning lands along the Mongol border) was carved out of what had been Inner Mongolia and proclaimed by Japan in 1937. Prince Teh—a direct descendant of Genghis Khan—who officially is supposed to head Meng Chiang, was placed at Naranbluk, about 200 miles north of Kalgan, and has as little to say in Mongolia as Emperor Pu-Yi in "Manchoukuo."

This sort of political division, however, is totally strange to the Mongols, who as true nomads see their state only where there is water and grass. Like the wind, they wander where they list and would not know a boundary if they could see it.

The Country and Its People

The Mongols are of middle stature, with broad shoulders and heavily built bodies, their facial characteristics most prominent in wide foreheads, high cheekbones, slit eyes, and scanty beard. Their number is estimated as between 2,500,000 and 4,000,000 persons, occupying a portion of Central Asia covering an area of about 1,500,000 square miles. Almost the whole country is a plateau of 3,000 to 5,000 feet above sea level, surrounded by the Altai and Sayan Mountains on the north, the Greater Khingans on the east and the northeasternmost ranges of the Himalayas on the west. The central part of Mongolia, of about 325,000 square miles, is known as the Gobi, or Shamo, Desert. The country as a whole, although here and there suitable for agriculture, is a range country. The regions which are especially suited for horse and stock raising include: Tarim Basin, in West Mongolia; the regions around the lakes of Uryuk Nor,[2] Achti Nor, Kirgiz Nor, Ichsaral, Durga Nor, and Ubsa Nor in the middle area, up to the Russian border on the north, and ending in Sinkiang, or Chinese Turkestan, in the west.

Mongols Live by Tribes

The social structure of Mongolian life is identical with that of the times of Biblical Abraham, Isaac, and Jacob—that is, they live by families. The families are united into tribes, known in Mongolia as hoshuns, and the hoshuns form themselves into leagues, or banners. The real power in the hoshuns as well as in the leagues rests in the hands of the bannermen of Mongolian nobility, "Turē," the "white bone," who as a rule are supposedly direct descendants of Genghis Khan, Tamerlane, or other rulers of the once-powerful nomad hordes.

The people of Inner Mongolia comprise 68 hoshuns of the following leagues (names of the leagues and number of hoshuns)

Jerim	10	Olanchbab	6
Josto	7	Ordos	7
Joude	13	Tumet "Orphan"	1
Silingal	10	Alashan	1
Chahar	12	Edsingol	1

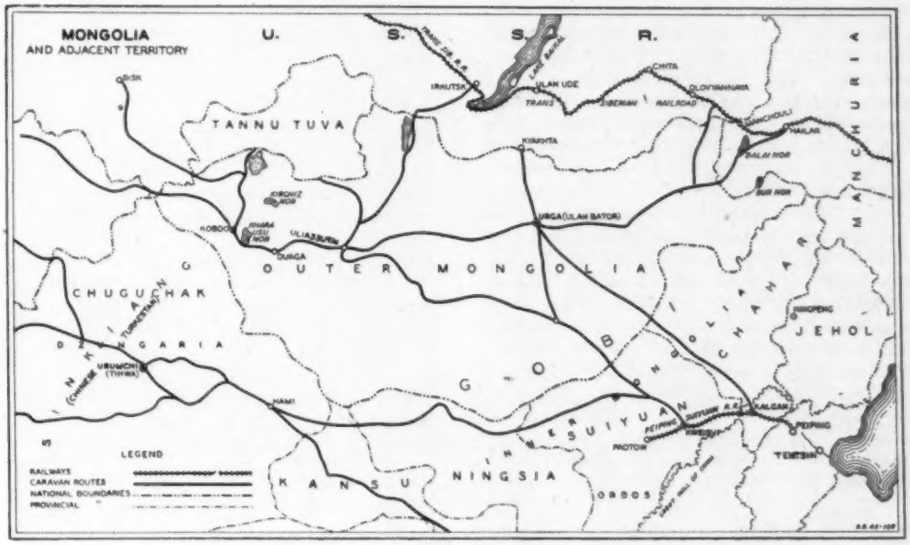
There are, moreover, 29 hoshuns, or tribes, of Kokonor Mongols, or Ch'inghai Mengku, which wander in the regions of Kokonor and on the vast, high plateau north of Tibet. Then the Kalmyk (Kalmucks) who are also known among the Chinese as Mongols of Alashan are represented by 34 hoshuns; they occupy the country north of Kansu Province. Finally, in Zhungaria, spelled variously Sungaria or Jungaria, including Ili, there reside 6 hoshuns of Jungars or Olots whose number, over 200,000, was reduced to a mere few hundred by the devastating military expedition into Zhungaria in 1775 by Ch'ien Lung, one of China's greatest emperors.

Still other Turki tribes wander in the vast steppes that constitute the land of the Mongols, the most important of them being: Turcoman, Kirghiz, Kazak, Tungan, Bashkir, Tartar, Durbet, and Buriat. Russians and Jewish colonies can also be found in certain central trading and administrative points of Mongolia.

Economically Self-Sufficient

A Mongol is very unpretentious in his appetite for shelter, clothing, and food. His convertible "yurta" (tent) is made by the industrious housewife from felt;

[2] "Nor" in Mongolian means "lake."



Courtesy Charles K. Moser

Camel train on its way to Mongolia, with merchandise of varied types.

the simple food consists of horse meat, beef, and mutton. The flesh tarbagan (marmot) is considered a great delicacy among all Mongols, and mare's milk, preferably sour, is consumed in great quantities. It is also made into a fermented beverage called "koumiss" which is widely loved by Mongols, Arkhi, and Tarasun. Tea, of course, is the most important part of the national diet.[3] Unlike ourselves, however, the Mongols not only drink it with water but make "Urunihe," a mixture of tea, milk, fat, and salt, of which the strong smell and equally "high" taste could attract only extraordinary connoisseurs of the Mongolian cuisine, and perhaps some of their white neighbors, the Trans-Baikal Cossacks, among whom the concoction is known as "slivan."

Mongol clothing is simple, and identical for both men and women. The top coat—"khalat"—resembling a house coat is made of cotton for summer and of wool or sheepskin for winter, while one's underwear is almost always a cotton garment. No particular color is important in men's wear, but the women, on the other hand, are fond of green and blue colors. The hairdress of the women frequently is made up of many plaits, or tresses, decorated with coral lumps, turquoise matrices, gold and silver coins—which may cost the herdsman up to $500, or an equivalent in the form of a herd of 250 sheep, or 25 good horses.

[3] Green tea is specially favored among the Mongols of Inner Mongolia, while Halkha and Western Mongols prefer black tea. In both cases the tea is used in the form of a brick, usually 8 to 12 inches long, and about 1 inch thick.

Mineral Resources

It has been reported that Mongolia is fabulously rich in gold, silver, coal, iron, salt, and other minerals, but the facts are little known, for the field has been but little explored. Rich oil in the land of the Kazakhs, about 600 miles north of Lanchow, was recently reported as having been discovered; gold and silver have been dug up for centuries in the Altai, and washed out along the streams of the Onon and Selenga Rivers; salt and coal also have been found in Mongolia: but little or no economic benefit has been derived from all these reputed riches. Mongolia as a whole remains the land of nomads, the nature of their trade making them indifferent toward basic products of the modern industrial world. Hence development of those natural resources of Mongolia which have some commercial value is possible now only in regions not far from at least a limited market—for example, the Provinces of Chahar, Suiyuan, and Ninghsia. Minerals worked on in these areas already include coal, soda, salt, iron, and asbestos, and the Japanese are probably the greatest beneficiaries.

Coal

Chahar, Suiyuan, and Ninghsia have undoubted resources of coal which have been developed to some extent in recent years. The average annual output of Chahar mines for the years 1933–37, prior to Japanese penetration of Inner Mongolia, amounted to about 250,000 tons; output of the Suiyuan mines for the same period was about 65,000 tons, and of Ninghsia about 65,000 tons. In Chahar the main deposits are found in Chimingshan, Yuhsien, Hwailai, and Kalgan. Reserves of the Chahar coal fields have been estimated at about 500,000,000 tons, Suiyuan 476,000,000 tons, and Ninghsia 488,000,000 tons.[4]

The Tatung coal fields, extending over an area of about 73 miles in length and 10½ miles in breadth to the southeast of Tatung City, in northern Shansi Province, have an estimated reserve of over 400,000,000 tons of both bituminous and anthracite coal. Output in 1939 was placed at 1,000,000 metric tons, with an anticipated production of 2,500,000 tons and 4,000,000 tons for 1940 and 1941, respectively.[5] Although earlier surveys indicated that this coal was of poor coking quality, more recent reports have stated that approximately 60 percent of the total output was of the high coking quality essential to the manufacture of iron. Analyses of samples taken from these mines showed an average of 3.78 percent moisture, 25.51 percent volatile matter, and 6.20 percent ash. The mining area is served by a branch of the Peking-Suiyuan Railroad.

In Suiyuan coal deposits are found chiefly along the Tachingshan Range. By 1935 seven seams had been found, with varying thicknesses of from 1 to 9 feet. It is reported that the deposits north of Chasutsi consist of anthracite in small nuts, while between Patukow, north of Saratsi, and Hsikou, north of Paotow, deposits are soft, bituminous coal. The mines, about 41 in number, which were being worked successfully in 1934, are located at Shihkuatzechieh. This field is about 20 miles northeast of Paotow. It has an area of about 20 square miles and is said to have produced anthracite coal of superior quality. The reserves of this field have been estimated at about 80,000,000 tons, mostly bituminous coal.

In order to provide a more expeditious means for the movement of Suiyuan coal, the Japanese have constructed a 40-kilometer branch between Paotow and Shihkuatzechieh, which will eventually be extended to Pailingmiao, a caravan terminal 150 kilometers north of Paotow.

In Chahar the principal coal fields are situated in the Chiming Shan Range,

[4] Statistical Abstract of the Republic of China, 1940, p. 63; by Directorate of Statistics, Chungking, China. The German, Richthoven, and the Americans, Herbert Hoover and H. Foster Bain, have also made surveys from which widely differing estimates were reported.

[5] Oriental Economist, March 1940.

where the annual output in 1931 was stated to have been between 115,000 and 130,000 tons. With the recently reported completion of a steam power plant at Hsiahwayuan, the production and development of this colliery and others in the vicinity is expected to increase. Although previously served by a cableway for the movement of coal to the Peking-Suiyuan railroad, the colliery is now connected at Hsiahwayuan by a 3-kilometer branch.

Mining methods are said to be very primitive. Coal is cut from the open face to a height of 4 or 5 feet and a width of 7 or 8 feet. The average cut by three workers is about 2 tons daily.

It is said that there is some bituminous coal in the mountains near Pailingmiao—a very fast-burning coal which seems to contain considerable oil. This coal is cut from the sides of certain hills by hand and carried by camel.

Iron

Iron ore has been reported as abundant in Inner Mongolia, and may prove to be so. One of the most important as well as productive sources of iron ore in China is known as the Lungyen mines, which are situated in the Hsuanhua-Lungkuan region of Chahar province, approximately 130 airline kilometers northwest of Peking. Reserves of the Lungyen field have been estimated at between 90,000,000 and 120,000,000 tons, with a Fe content of 51–60 percent, a medium amount of phosphorus (average of 0.12 percent), and as being practically free from sulfur and other objectionable constituents. These deposits are either connected to the main line of the Peking-Suiyuan Railroad by branch lines, or by comparatively well-surfaced dirt roads.

The Japanese have been active over recent years in the Lungyen field. As recently as July 26, 1943, it was reported that an iron smelting furnace was in active operation at Hsuanhua, followed soon after by the erection of two additional furnaces[6] and a power plant at Hsiahwayuan, a few miles to the southeast of Hsuanhua. In Suiyuan the iron deposits are found at Wuchwan, Opo, Kuyang, Saratsi, Tsingshuiho, and Paitow. The Wuchwan deposit is estimated at 10,000,000 tons and the Kuyang fields at 700,000. Since primitive methods are used in mining, the total annual output prior to 1937 amounted to no more than about 300 tons.[7] Since then, however, there has undoubtedly been, under Japanese direction and the stress of war, a greatly expanded output from these mines. Although these Suiyuan mine fields are not served by railway facilities, there are dirt roads operating between them and the main line of the Peking-Suiyuan Railway.

Asbestos

In 1934 asbestos was discovered at a number of localities in southeastern Suiyuan—viz., Pankow, Luchowwan, Shihueiyaotzu, Shaopuhai, and Shapatzu. The Pankow deposits possess an estimated reserve of about 20,000 tons, and next in order of importance are those of Shihueiyaotzu, about 2½ miles from the Chasuchi Railway station, with an estimated reserve of 12,000 tons.

[6] China Geographical Survey, 1934-35.

[7] Ministry of Industry, Chinese Government, 1935.

Courtesy Charles K. Moser

Mongolian Panchan Lama, or Living Buddha. Twenty-two years old—but claims he has been reincarnated three times.

Salt

Mongolia's numerous salt lakes provide an abundant supply of salt for the needs of the population. With proper development of the industry, in accordance with modern technique, the country might become one of the principal sources of salt for China, particularly for its saltless region of the South and the Yangtze Valley nonadjacent to saltpans along the seacoast.

The most important salt-producing areas of Mongolia include: in the Province of Chahar (north), Talipuko, Kulpan, and Dabasu Nor, each roughly 40 miles in circumference; the Taposumad Nor (central Chahar), and the Taihai and Huluhu Nor (south), each about 50 miles in circumference. The Dabasu Nor, located on the borders of the Ujumachin and East Hachit Banners, is one of the principal salt-producing centers of Chahar, covering an area of about 30 square miles. The salt deposits are from 4 to 6 feet in thickness, and the annual production is said to be about 33,000,000 pounds.

Soda

Soda is produced in abundance from the many salt lakes in Inner Mongolia, especially in Suiyuan and Chahar Provinces. The alkali is dissolved in the lake during rains, and when the water evaporates is crystallized into soda. From Chahar the annual output is about 8,000 tons, and from Suiyuan about 2,000 tons. Chahar soda is shipped all over China, while Suiyuan soda is distributed locally.

Mica

Deposits of mica are reported to have been found near Huoho in Suiyuan Province and are being worked by Japanese interests. Known reserves are stated to be approximately 4,000,000 metric tons, which when developed, it is claimed, will be more than sufficient to fulfill Japan's needs.

Railroad Development

Japan's plans for an adequate railway system in Mongolia have been predicated on economic rather than military reasons. In order to effect the expeditious movement of high-grade coal and iron ore and other mineral resources, a rail and highway network, with extensive improvements and construction work, has been undertaken concurrently with the output of such essential materials. In Suiyuan, Shansi, and Chahar extensions to already existing railways have been constructed, notably the Chifeng-Tolun (Dolon Nor)-Kalgan trunk line of approximately 490 kilometers in length operating in Chahar and Jehol Provinces. Conflicting statements have been made as to how much of this line is in operation, but it may be said that this artery when completed will provide a third rail link connecting North China and Manchuria.

Another line of potential importance now under construction is the Tatung-Tangku trunk railway from Tatung to

Fengtai, a few miles southwest of Peking, at which point connection is made with the Peking-Liaoning railway serving the ports of Tangku and Chinwangtao.

In Suiyuan extensions have been completed to Shihkuatzechieh, a coal-mining region northeast of Paotow, with a further extension now under construction to Pailingmiao, a caravan center, and to Hsikungchiwangfu about 37 miles west of Paotow. Camel caravans bring to railhead at Paotow large quantities of sheep wool, goat hair, camel hair, and furs from western Suiyuan and northeastern Ninghsia. Another short but useful railway developed by the Japanese is the Hsuanhua-Longkuan branch of the Peking-Suiyuan line which serves the Lungyen iron mines near Chaochuan, and which only last year was completed to Lungkuan in northern Chahar Province.

Wealth from Flocks

The principal source of Mongolia's economic strength lies in its flocks and herds. Some observers have said that the number of sheep could be placed at about 35,000,000, horses at about 3,500,000, and cattle 2,500,000. The chief concern of the Mongol is to provide water and grass for his animals. In summer he moves the herd to the open steppes, where grass is abundant and gnats and mosquitoes are less in evidence. In the fall they go to the heights; and with approaching winter they are hastened downward to the valleys protected from piercing winds, where the animals can find dried grasses still standing. By early spring the wandering cycle starts anew toward those places from which the snow first disappears.

This process of wandering the endless steppes is lacking neither in color nor picturesqueness. On this subject a Russian authority on nomadic life in Asia relates:

> Early in spring wandering begins. The Kirghiz load their camels—covered with bright rugs over the already packed yurta—with kettles, trunks, blankets, and the rest of the household belongings and leave behind the winter quarters full of insects and filth. They follow the herds along the steppes. The women with pomp perch on the loaded camels and from time to time sing memorial songs in the name of relatives who have died during the preceding year, while the men bravely gallop at the sides of the caravan. [Sometimes the men also oblige with a song; but the repertoire of a Mongol, unlike that of the classic "trovatore," is not dedicated to "her" nor to "honor": its subject is rather of an economic character. "What is a hill? What is a valley?" comes from the mouth of the sons of the steppes. "A thousand horses can be pastured in that valley, and a thousand sheep can be fed grass on yonder hill," is the intoned response.]
>
> With the approach of night it is time for supper and rest, but by next noon the journey is resumed, and so on until the time to start back to winter quarters. Thousands of miles are covered by the nomads during the season. The bleating of sheep, squeaking of the Kirghiz "arbakh"—a two-wheeled cart—the stamping of camels and horses, and human talk blended from time to time with the sounds of sad songs, all this fills the surrounding steppes, reminding one afar that the Kirghiz are again on the move. As a rule the Kirghiz wander by tribes, simultaneously using the same pasture with other tribes, sometimes even of a different clan.[8]

The Mongol's Trade System

The usual method of trade in Mongolia is by barter. This is true not only in the sparsely populated regions of the country, but even in such main trade centers as Urga, Kalgan, Hailar, and Urumchi, where purchases of wool, sheepskins, horses, cattle, and hides are made on a large scale.

The place of trade in the Mongol's economy is accented by his conception of parity in exchange—that is, while Mongolia may offer many of its products that are always needed in the world's markets, the Mongol's own demands, by reason of the simplicity of his nomadic life, are all but negligible.

The few articles which appear in the list of imports include: tea; "buda" (a variety of millet); wheat flour; cotton and silk piece goods, known in Eastern Mongolia as tapu, telempu, and chesuncha. Even kerosene—"oil for the lamps of China"—the customary import of nearly all Asiatic peoples, finds no market among these nomads whose fuel is the dried dung of their herds and whose candlelight is supplied by the fat of their sheep.

Household utensils, knives—but not forks—metal plates and teapots, have also some place in the life of a nomad family. Smoking tobacco, snuffs, sugar, and sweet Chinese cakes, a favorite dainty, practically finish the list of articles commonly imported into Mongolia.

[8] Aziatskaya Rossiya (Asiatic Russia), Vol. 1, pp. 158–159, in Russian.

"One Horse, One Rabbit"

In the absence of a fixed standard of value, prices are wholly determined by "negotiation" between buyer and seller. The cases have not been rare when in the face of an apparent shortage of some daily necessities, a half bowl, or ½ pound, of "buda" would bring in exchange one live sheep, or for two pieces of "telempu" cloth—about 40 yards—one horse, or one yak. In large centers of trade, however, especially when transactions involve large quantities of goods, money also may be used.

As a rule Mongols accept all Chinese silver dollars and Russian rubles, but their preference is still for the old Chinese tael, or "liang"—a piece of silver bullion in the form of a woman's shoe, of varying size, weight, and fineness, which was for thousands of years the standard of value in China. Having no cash-money terms of their own, the Mongols fell back on their Chinese neighbors for financial nomenclature, and borrowed from Manchuria the term "yuan pao" or "feng piao" to denominate fractions of the tael which among the Chinese were known as "small coin" dollars.

It was good Mongol practice whenever there was a shortage of coins of small denomination to "mint" one's own at once, and with an axe. After having been made red-hot in a blacksmith's furnace, a brick or bar of silver would be chopped into the fractions required, and the deal closed.

Bicycle Supersedes Horse

Although a Mongol's life is almost inconceivable without a horse, when the Japanese organized the state of Meng Chiang and established for Mongolia a sort of Japanese-style "East India Com-

Photo by Charles K. Moser

Chinese shop at Mongol fair.

pany," they also organized for the Mongols a Great Mongolia Bicycle Monopoly, and capitalized it at 6,000,000 yen!

Among other companies of Japanese creation may be mentioned the Lunguen Iron Mining Co., with proclaimed capital of 20,000,000 yen; the Mongolia Opium Monopoly, 10,000,000 yen; North Shansi Foodstuffs, capital 500,000; Mongolia Livestock, capital 3,000,000; and the Mongolia Industrial Promotion Co., capital 5,000,000 yen. In addition, in 1940 the following companies were proclaimed as in process of organization: the Mongolia Mica, Mongolian Trading, and Oriental Tobacco Monopolies. By the end of the first quarter of 1940 there were 16 special and semispecial Japanese companies in Mongolia with a total authorized capital of 100,000,000 yen.[9]

Industrialization a "Dream"?

Plans for the industrialization of Mongolia, however, whether Japanese or other, must be largely a dream of the long-distant future. Four factors, to mention no others, constitute almost insuperable obstacles: (1) nomads in all regions must go through many long stages of development before they become adaptable to the life of a modern industrial city, and Mongols are peculiarly in love with their own nomadic ways; (2) neither soil, climatic conditions, nor the immense alkaline and saline regions without water offer much promise in the way of future agricultural development; (3) aside from Chinese agricultural labor along marginal strips of Inner Mongolia there is no skilled labor, no reservoirs from which any kind of labor can be drawn; the Mongol, like his American cousin the plains Indian, does not easily subject himself to routine work; (4) distances across the steppes and desert are vast, the expense of bridging them too great for the natural resources of the country to bear.

These obstacles alone invite the conclusion that attempts to industrialize Mongolia, so far, are effective only on paper. The Chinese Yearbook, 1940–41 (p. 220) is probably realistic in its report that the so-called development companies consist "of nothing but a few offices here and there, with officials discussing blue-print projects which cannot materialize for lack of funds."

Mongolia's Foreign Trade

Neither Mongolian princes nor Lamaistic monks keep statistical records of outside trade, nor do they make public official reports of any sort. Values and details of Mongolia's foreign trade, accordingly, can only be approximated by reference to official reports from the neighboring states of the U. S. S. R. and China, or from the reports to their respective governments of consular officers stationed in those countries. Coarse wools, for the manufacture of carpets, have always been the main export of the Mongols to foreign lands, and Tientsin their main port of distribution. During the last decade prior to the present war in the Far East, export of carpet wools through Tientsin averaged something like 50,000,000 pounds per annum, and it was reckoned that 75 percent of the total wool shipped from the port came from Mongolian sources, either through Hailar, on the old Chinese Eastern Railway, or by caravan to Kalgan, in Chahar, and thence on the Peking-Suiyuan Railway to portside. An American consular report of 1932 gives the following figures of wool shipments from Tientsin through the years specified:

[In 1,000 pounds]

Item	1928	1929	1930
Camel wool	5,533	7,077	3,142
Goat hair	1,863	2,386	1,648
Goat wool	3,149	2,681	1,751
Sheep wool	64,972	51,538	27,203

Russian official figures for imports of other products into the Soviet Republics for the years specified are as follows:

Shipment of Animal Products to the U. S. S. R.[1]

[Quantity in metric tons]

Item	From Mongolian Republic			From Chinese Turkestan		
	1934	1935	1936	1934	1935	1936
Livestock	27,164	30,921	30,262	16,201	17,361	19,337
Meat	3,152	1,762	460	(2)	(2)	(2)
Fur	266	54	91	333	200	231
Skins (hides)	3,712	4,147	4,474	2,320	2,027	2,223
Sheep wool	1,736	3,159	3,130	4,607	4,796	4,539
Animal hair	1,393	1,863	1,945	617	613	436
Total	37,433	41,906	40,362	24,078	24,997	24,543

[1] Vneshnaya Torgovlia U. S. S. R., 1934, 1935 (Foreign Trade of the U. S. S. R. for 1934 and 1935) and Statistica Vneshney Torgovli U. S. S. R. (Statistics of the Foreign Trade of the U. S. S. R.) for 1936, in Russian.
[2] Negligible.

Future Development

Thus it would appear that while Mongolia may be an extremely interesting country in many respects, commercially and economically its development is limited. Its putative or potentially large resources in minerals remain largely either unexplored or unexploited, and development of them—except in certain areas adjacent to North China—will probably be long retarded. If the country has an agrarian industry capable of expansion, it must lie in the field of stock raising. Many students of Asia have concluded that over the years Mongolia might be developed into a great reserve of meat and dairy products. Some have estimated that under proper conditions the plains of Mongolia can support 75,000,000 sheep, 25,000,000 horses, 12,000,000 camels. With proper encouragement it may be that their production of hides, hair, and wool, to say nothing of mutton, could become a material contribution to world requirements.

Photo by Owen Lattimore; Courtesy National Geographic Society
Mongol nomads.

[9] Oriental Economist, Tokyo.

PLASTICS and Plastics Materials

[Post-War Foreign Markets: Latin American Potentialities]

By B. F. COOLING, *Chemical Unit, Bureau of Foreign and Domestic Commerce*

THE ATTENTION of the plastics industry, as of all other United States industries, is being directed to foreign post-war markets and their potential opportunities for development. Industrialists, both large and small, in all parts of the country are asking questions of others and of themselves. These queries relate to all products, whether raw materials, manufactured articles, or plant equipment, and they focus upon expansion of old markets and the acquisition of new trade outlets.

The plastics industry today has brought about the general utilization of materials relatively unheard of a few years ago and is an outstanding example of what can be accomplished by American research and ingenuity. Undoubtedly the United States is the world's largest producer of plastics and plastics materials. A phenomenal increase in output is indicated for the plastics and synthetic-resins industry by the jump in value from $78,000,000 in 1939 to an estimated value of $300,000,000 for 1943. It may be assumed that fabrication of plastics products has increased in approximately the same proportion as the manufacture of the plastics materials themselves.

Favorable Export Prospects

War censorship has greatly curtailed current information from foreign sources. It is known, however, that at the outbreak of the war plastics materials were being produced by a number of foreign countries, including Canada, the United Kingdom, Germany, France, and Japan.

Although the United States home market has been the prime consideration of those engaged in the manufacture and distribution of plastics and plastics materials, a large export business had been developed for certain products before the war, notwithstanding keen competition from European and Japanese products. Expansion of these foreign markets after the war is desirable to provide outlets for a United States production capacity which has increased greatly under the stimulus of the present global conflict.

Total exports of three important types of plastics materials from the United States to all countries exceeded $2,500,000 in 1937, which may be considered a normal pre-war year. Corresponding figures showed an increase to $5,200,000 in 1940 and approximately $7,295,000 in 1941.

In 1937, several countries in the European area—the United Kingdom, France, Austria, Germany, the Soviet Union, and the Netherlands — took a large portion of our exports of synthetic gums and resins. The United Kingdom and Germany absorbed also most of the exports for cellulose acetate plastics in the form of sheets, rods, and tubes. In North America, Canada in the northern area, and Mexico, Cuba, and Panama in the southern and West Indies section, were the largest recipients of cellulosic and synthetic materials.

The present article places emphasis on the relatively normal demands of our southern neighbors and post-war potentialities of that area. Prospects for business in the rest of the world are not clearly indicated.

In 1942 and in 1943, in comparison with 1937, the Central and South American countries increased considerably their share in the United States exports of plastics. While plastics as such are not so well known or used so extensively in these countries as in the United States, they are showing an amazing increase in popularity. This is no doubt partly attributable to the adaptability of plastics materials to the manufacture of a wide variety of everyday objects at low cost and in many colorful combinations.

Latin American Needs

With a population comparable to that of the United States and a territory about two and one-half times as large, Latin America is commencing to forge ahead industrially and economically. A higher standard of living is a natural corollary to this expansion, and plastics may well offer a powerful stimulant to this advancement,

There is an enormous field in Latin America for plastic bonded plywood and other laminations, for pipe and tubing, for a thousand and one molded thermo- and thermosetting plastic building materials. Phenolic resin manufacturers, who are working with architects and builders in planning the houses of tomorrow, visualize a bright future for their products—particularly in prefabricated houses.

Civilian demands for consumer goods in Latin America are large now and are constantly increasing. This nascent desire for luggage, hats, textiles, jewelry, pottery, and novelties, together with the many demands in the building and transportation fields, should afford our industry expanded trade outlets for plastic products and the materials from which they are manufactured.

The degree to which plastics are gaining acceptance in the various American Republics is dependent upon the degree of industrialization of each individual country. Only the more highly industrialized countries manufacture any of their own plastic materials or finished products. However, this does not mean that the less industrialized countries do not offer a considerable potential market for finished molded products.

Principal Markets Today

More than half the Latin American Republics neither manufacture their own plastics materials nor fabricate semifinished forms of plastics. These countries include Bolivia, Costa Rica, the Dominican Republic, Guatemala, Haiti, Honduras, Nicaragua, Panama, Para-

U. S. Exports of Certain Plastics Materials by World Areas for 1937 and 1941

Area	Synthetic gums and resins				Pyroxylin (sheets, rods, and tubes)				Cellulose acetate (sheets, rods, and tubes)			
	1937		1941		1937		1941		1937		1941	
	Value	Percent of total	Value	Percent of total	Value	Percent of total	Value	Percent of total	Value	Percent of total	Value	Percent of total
Europe	$593,555	43	$1,615,572	30	$44,053	10	$55,460	10	$485,142	68	$385,365	27
North America:												
Northern	564,682	41	2,657,385	50	376,928	83	332,627	58	93,245	13	505,000	36
Southern and West Indies	34,889	3	113,880	2	5,267	1	19,359	3	3,226	1	153,247	11
South America	70,980	5	520,020	10	5,889	1	113,605	20	73,615	10	181,344	13
Asia	32,306	2	155,239	3	6,063	1	19,955	4	21,043	3	33,461	2
Oceania	78,087	6	201,241	4	4,722	1	9,011	2	35,039	5	103,250	7
Africa	53	(1)	49,562	1	15,007	3	19,495	3			50,230	4
World total	1,374,552	100	5,312,899	100	457,929	100	569,512	100	711,310	100	1,411,897	100

[1] Negligible.

United States Exports of Plastics Materials to Latin American Countries

Country and commodity	1937		1940		1942	
	Pounds	Value	Pounds	Value	Pounds	Value
Cellulose acetate (sheets, rods, or tubes):						
Argentina	1,359	$429	64,043	$36,188	176,600	$94,433
Brazil	209,950	73,018	232,387	82,682	143,060	68,960
Chile	6	16	4,448	2,662	32,404	16,601
Colombia	84	64	18,014	8,906	121,201	55,689
Cuba	3,269	2,158	9,370	5,978	11,504	6,094
Mexico	905	667	26,408	14,019	402,264	184,129
Ecuador					8,288	2,303
Venezuela	41	75	15,951	8,641	11,556	5,571
Total	215,614	76,427	370,621	159,076	906,877	433,780
Pyroxylin (sheets, rods, or tubes):						
Argentina	141	124	13,938	11,295	173,860	216,637
Brazil	1,295	1,351	8,572	7,892	79,537	67,032
Chile	1,819	1,184	2,757	2,297	6,042	5,061
Colombia	1,936	1,312	5,570	4,892	13,405	9,186
Cuba	5,128	3,729	10,522	5,596	5,333	4,366
Mexico	1,485	966	2,668	2,006	16,809	18,204
El Salvador			6,693	3,956	12,916	7,139
Uruguay	464	674	833	515	6,165	5,980
Venezuela	665	937	1,423	1,558	11,315	9,488
Total	13,229	10,543	53,070	40,091	325,382	343,093
Synthetic gums and resins:						
Argentina	117,902	19,658	980,621	164,842	676,495	182,281
Brazil	143,329	47,867	230,557	66,308	190,652	59,391
Chile	1,330	186	220,406	57,630	201,545	56,694
Colombia	3,901	1,850	34,247	18,017	13,768	4,370
Cuba	10,163	1,415	97,747	36,704	55,935	32,350
Guatemala					1,437	726
Mexico	123,821	32,201	432,369	110,292	219,644	57,980
Peru	9,957	623	41,903	6,021	11,191	2,730
Uruguay	4,277	390	107,726	21,052	53,923	21,418
Venezuela	1,699	160	30,832	12,365	17,351	5,991
Total	416,379	104,350	2,176,408	487,210	1,441,941	423,931

guay, Ecuador, Puerto Rico, and El Salvador. However, the other Republics—Argentina, Brazil, Chile, Colombia, Mexico, Peru, Uruguay, Venezuela, and Cuba—present promising fields for post-war sale of plastics materials and semi-finished forms of plastics.

Complete statistics covering exports and imports of plastics materials for the above-mentioned countries are not available. This is due primarily to a "basket" grouping wherein individual items are not shown separately.

In general, machines and processing equipment used by plastics manufacturers in Latin America have come principally from Germany because of low prices and, to a lesser extent, from the United Kingdom and the United States. American machines, in addition to being more expensive, generally are offered in much larger sizes than can be operated profitably. For this reason only a few of them have been imported.

Prior to World War II, imports of plastics materials into Latin America came from Germany, the United Kingdom, the United States, France, and Japan. Under present conditions our southern neighbors must depend on the United States for all of their requirements. Most of the Latin American plastics-consuming industries maintain no large stocks of plastics materials. This condition opens to United States producers immediate post-war markets for plastics materials and semifinished plastics.

Argentina

In Argentina, consumption and production of plastics materials, to any appreciable extent, is of recent development. Consumption of materials has been governed almost entirely by imports from Germany, Great Britain, the United States, and France. Imports have fluctuated as follows: 1,600,000 pounds in 1939; 2,061,000 pounds in 1940; and 2,574,000 pounds in 1941.

Applications of plastics materials have been more or less in the novelty field, but have included also toilet articles, tableware, closures (bottle caps), electrical equipment, telephones and accessories, paints and synthetic coatings, radio parts, and buttons. The only specific data on the consumption of plastics materials are for the "button, comb, and specialties" industry which the official census for 1939 records as using the following amounts: pyroxylin, 296,523 pounds; phenolic resins, 524,916 pounds; and galalith, 14,388 pounds.

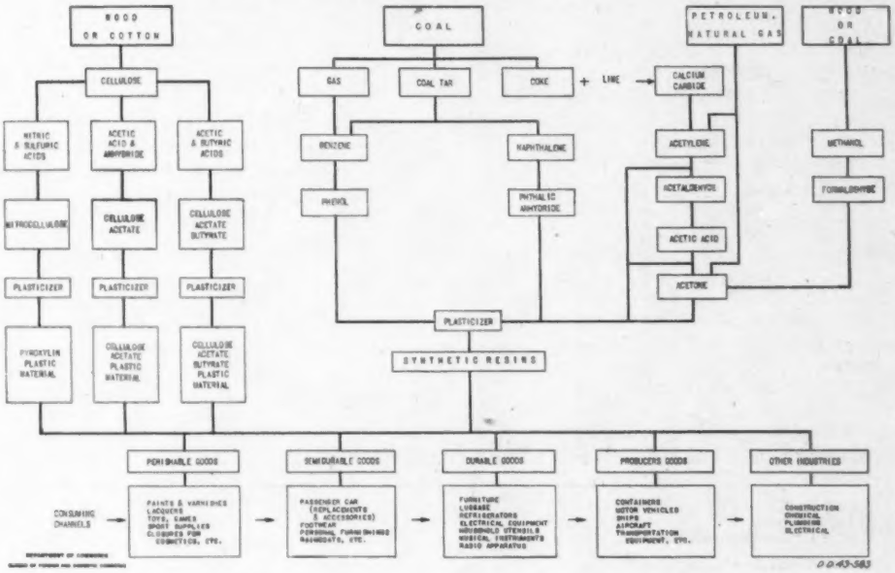
Argentina is the largest producer of plastics products in Latin America and as such offers great promise as a market for plastics materials and for finished and semi-finished plastics. Complete data on the manufacture of plastics in the entire country are not available, but in 1940 there were six or seven important firms in Buenos Aires fabricating from semifinished plastics, as well as numerous smaller firms with a more restricted output. Thermosetting plastic materials (of the phenol-formaldehyde and urea types) account for most of the local production.

Brazil

Brazil, one of the most industrialized countries in South America, is developing into an excellent market for United States plastics. Until 1941, plastics were imported mainly in the form of finished articles. In that year, however, an estimated 1,749,000 pounds of plastic materials were consumed, and domestic manufacture became of commercial importance. The plastics molding and plant industries have developed considerably in the last few years, but Brazil is still largely dependent on imports for raw materials.

Phenol-formaldehyde is produced in quantity, though a large portion is not of high quality. Casein and cellulose nitrate production cover Brazilian requirements, except that pyroxylin-based paints and varnishes are still largely imported. Although the greater portion of cellulose acetate goes into rayon, the molding compound has been replacing

CERTAIN TYPES OF SYNTHETIC RESINS AND CELLULOSE PLASTICS MATERIALS
DERIVATIONS AND PRINCIPAL APPLICATIONS



polystyrene as the most important thermoplastic molding material.

Brazil has facilities for both thermosetting (phenolics and urea) and thermoplastic materials. A large number of plants have injection machines, mainly of German make. This is due to the wide use of polystyrene which formerly was received in quantity from Germany.

Many of the plants using plastics materials are not large, and factory equipment is light and somewhat antiquated, according to our standards. The articles produced are generally small, such as closures, electrical parts, toiletware, buttons, and spectacle frames.

Chile

Chile does not produce plastics materials. A small industry produces, from imported plastics materials, many articles of simple manufacture and common use in sufficient quantities to supply local demand. Some of the articles produced are bottle and tube caps, buttons, buckles, combs, plates, and wall plugs. Approximately 90 percent of the production is in Santiago.

General plans for increasing Chile's supplies of plastics materials by expanding manufacturing facilities include production of phenol-formaldehyde and cresol resins.

Colombia

The plastics industry has taken root in Colombia only since the outbreak of World War II. Plastics articles manufactured are produced primarily from basic materials imported in semifinished or finished form.

In Barranquilla, several small firms are using cellulose acetate molding compounds, sheets, rods, and tubes for the manufacture of combs, small boxes, keyrings, and other articles by the injection method of production. Demands for cellulose acetate seem to be increasing, while cellulose nitrate appears to be limited in its application, with only one or two firms interested in its importation.

Practically all phenolic resins used go into the production of plastic articles. Less than 1 percent is employed for paint purposes.

Alkyd resins and methyl methacrylate are used only in small quantities in the paint and tanning industries. Polystyrene and urea resins also are in demand in limited amounts.

It seems likely that, though many of the smaller plastics-product manufacturers may drop out when European and United States competition is once again felt, several of the larger companies will continue and will import materials from the United States.

Mexico

Available information indicates that there is no production of plastics materials in Mexico. The total investment of the Mexican plastics industry in 1942 has been estimated at approximately $600,000; the number of employees, at about 500.

Consumption of plastics materials in Mexico has increased notably in recent years, the leading consumers being the plastics-products and paint industries (including the manufacture of enamels, lacquers, and varnishes). Small quantities are used by the leather industry and for minor miscellaneous purposes. The total normal consumption of all plastics materials is about 2,000,000 pounds per year.

A number of firms have compression molding facilities for fabricating such articles as electric sockets, switches, plugs, and lamp bases from semi-finished plastics of the thermosetting type. Several concerns use injection equipment for the production of buttons, combs, eyeglass frames, toothbrush handles, compacts, and novelties. Because of lack of materials, however, production of finished plastic products has declined since 1941.

Peru

So far as can be ascertained there is no production of plastics materials in Peru; plastic articles manufactured there are all made from imported basic materials in semi-finished form.

Domestic production of the finished articles is small, consisting of only one comparatively important company manufacturing cups, plates, saucers, and tumblers used principally for picnics. Several small workshops produce buttons, buckles, brooches, and clips, and a few toys and other novelties. Small amounts of semi-finished plastics are used in sheet form for automobile repair work, in the aviation industry, and for railroad and machinery repair purposes. Modified phenolic varnish and lacquer resins are used to some extent by paint manufacturers.

Uruguay

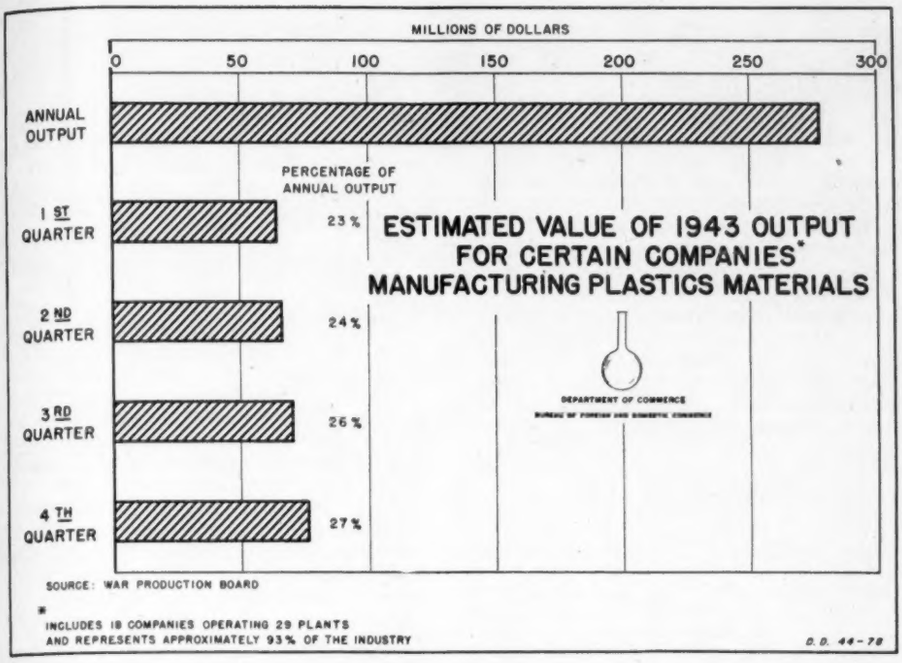
The production of plastics in Uruguay is generally confined to the manufacture of synthetic resin products from imported molding powder. Galalith, a protein

Imports of Plastics Into Selected Latin American Countries, by Principal Countries of Origin, 1937 and 1941

Importing country and countries of origin	Pyroxylin, Galalith, Bakelite, and similar plastics				Synthetic resins			
	1937		1941		1937		1941	
	Pounds	Dollars	Pounds	Dollars	Pounds	Dollars	Pounds	Dollars
Argentina, total	719,290	311,928	473,261	191,200	(1)	(1)	(1)	(1)
Germany	417,748	169,624						
United States	866	599	53,887	19,519				
Japan	297,278	139,535	414,008	169,642				
United Kingdom	619	437	4,497	1,783				
Other countries	2,779	1,733	869	256				
Brazil, total	35,256	36,112	724,091	361,284	393,216	196,821	269,494	121,102
Germany	31,848	33,494	441	149	322,760	161,294	445	336
Japan	3,071	1,634						
France	337	984			9,736	5,001		
United States			264,863	145,459	45,126	21,336	245,515	112,541
Italy			264,440	147,188				
United Kingdom			194,347	68,488	2,463	931	20,227	7,189
Czechoslovakia					3,995	3,571		
Other countries					9,136	4,688	3,307	1,036
Chile, total	193,378	15,570	526,206	37,349			26,091	2,923
Germany	125,429	10,585	165	25				
United States	8,880	918	320,835	20,797			22,610	2,665
United Kingdom	48,922	3,330	73,332	5,068			3,481	258
Japan	6,124	470	120,770	10,555				
Netherlands	2,438	129	2,683	207				
Other countries	1,585	138	8,421	697				
Colombia, total	15,236	10,355	149,359	72,794	88	19	2,200	193
United States	5,163	4,671	149,359	72,794	88	19	2,200	193
Germany	10,064	5,661						
Cuba, total	22,705	14,894	121,982	59,426	(2)	(2)	(2)	(2)
United States	12,139	9,514	119,972	58,275				
Germany	7,678	4,202						
United Kingdom	20	6	1,618	1,020				
Japan	2,577	978	392	131				
Other countries	271	194						
Mexico, total	21,107	3,852	396,890	59,421	169,827	46,638	488,480	134,247
United States	4,462	877	396,890	59,421	100,695	28,224	486,840	133,657
Germany	16,645	2,975			45,163	12,709		
Other countries					23,969	5,705	1,640	590
Uruguay, total	65,805	19,828	[3] 19,194	[3] 4,813	(2)	(2)	(2)	(2)
United States	185	56	560	141				
Germany	49,109	14,795						
Argentina	7,187	2,165	2,835	713				
Japan	1,510	455	10,397	2,609				
United Kingdom	7,744	2,336	4,167	1,041				
Other countries	70	21	1,235	309				

[1] Not reported.
[2] Not available.
[3] Figures for January–October 1941.

Source: Official annual import statistics.



casein plastic, also is produced, since casein is readily obtainable. It is estimated that the production of galalith amounts to approximately 22,000 pounds annually. This quantity is sufficient for the manufacture of buttons, purse clasps, and ornamental objects, and also for exportation of substantial amounts to Argentina.

The annual consumption of plastics materials in Uruguay is about 330,000 pounds.

Research work on substitutes for critical materials is being conducted in an effort to use domestic raw materials which are in abundant supply and are not required for defense purposes.

Venezuela

In Venezuela, industrial utilization of plastics materials in practically every field is primarily intended for products consumed in the local market. Plastic articles manufactured include combs, dominoes, belt buckles, buttons, and collars, processed from imported materials.

There is no information on the total output of the industry, nor are any individual production statistics available. It is estimated, however, that the industry is capable under normal conditions of producing products for local markets. The country's requirements for plastics materials are met by importation.

Cuba

No plastics materials are produced in Cuba, and no raw materials or facilities are available for their production. Consequently, consumption is dependent upon imports.

No recent official statistics are available in regard to the Cuban importation of plastics materials, but information furnished by various dealers and manufacturing firms indicates that imports during the past few years have averaged about 80,000 pounds annually for phenolic and urea resins. These resins are utilized in the manufacture of paint, enamel, varnish, buttons, trimming for furniture, door knobs, handles, and other small plastic items.

Cellulose plastics materials likewise are all imported (primarily from the United States) and are used in manufacturing combs, lamp-shade covering, nail polishes, and cardboard-box windows.

It is estimated that approximately 40 percent of the plastics materials imported go into the production of paint while 60 percent find their way into the manufacture of buttons and other small articles. Plastics in themselves are utilized mainly as substitutes for metals, glass, and wood.

Other Foreign Countries

Notes on recent developments in other countries manufacturing plastics materials indicate wartime expansions which may cause stronger competition to the United States producer.

Canada

In Canada the expanding synthetic-resins division is bringing into prominence that branch of the chemical industry. The value of production is believed to be about five times as great as that of 1939, which was approximately $1,000,000.

The future of Canada as a chemical producer is naturally conjectural, but no doubt that country will emerge from the present war with a consciousness of its chemical resources, vastly expanded manufacturing facilities, experience in large-scale operations, and a large number of trained workers.

United Kingdom

Considerable research in plastics has been carried on in the United Kingdom, the range of products has increased, and improvements have been made in mold-making machinery. There exists an active demand for such basic items as pyroxylin plastics, phenol-formaldehyde, shellac, urea-formaldehyde, and vinyl resins. The ethers and esters of cellulose figure prominently in the industry. Output of pyroxylin-plastic products has increased, and the stoppage of German imports of these items has given British manufacturers an opportunity for expansion.

Activity in cellulose-acetate plastics has been marked, since a great variety of products are manufactured from this material. Among these items, the production of cellulose-acetate sheets for aircraft screens and gas-mask eyepieces, transparent containers, and photographic film bases has showed considerable advance.

The British Government's policy of rearmament before the war and the scarcity of metals after the declaration of war are said to have accelerated greatly the demand for thermoplastic compounds of all kinds.

Since the loss of sources of rubber supplies to the Japanese, the electric-cable industry in Britain has saved large quantities of rubber by substituting polyvinyl chloride coverings. It is calculated that these savings already amount to some thousands of tons a year.

According to the British press, the United Kingdom is "all set" to become one of the world's great producers of plastics because of ample supplies of coal, from which phenol and other aromatic compounds are derived.

Germany

During 1938, German output of synthetic resins was estimated to be from 40 percent to 50 percent above 1937, when the total was believed to be around 88,000,000 pounds, consisting of about 85 percent phenolic products. Scarcity of synthetic materials in 1938 was relieved by an expanded phenol production. Production of collapsible tubes from plastics materials and the use of synthetic resins for dental work were contributing factors toward an increased demand for plastics materials.

Production of cellulose plastics amounted to approximately 44,000,000 pounds in 1937. Almost 22,000,000 pounds, or about 50 percent of the total output, consisted of plastics made of nitro cellulose, about 41 percent of plastics from converted cellulose including fiber, and about 9 percent acetyl cellulose materials.

Germany's exports of synthetic resins, both thermosetting and thermoplastic, in 1938 amounted to about 18,000,000 pounds valued at over $4,000,000, while the Reich's outbound shipments of celluloid dropped in 1938 to 4,700,000 pounds valued at about $2,400,000, compared with 5,100,000 pounds and 6,200,000 pounds in 1936 and 1937, respectively.

Recent trade reports indicate that among the German artificial resins, polyvinyl chlorides occupy an increasingly important role. They are known under the trade names "Mipolam," "Igelit," "Astralon," etc., and are widely used in

(Continued on p. 40)

News by COUNTRIES

Argentina

Transport and Communication

Changes and Expansion in Air Service.—Several changes were reported in the Argentine commercial air-line service in 1943. Sociedad Argentina de Navegación Aerea (SANA) suspended its services between Buenos Aires and Colonia (Uruguay). Linea Aerea Noroeste (LANE) initiated operations. LANE is a new army-operated line from Buenos Aires to Iguazu inaugurated during December 1943. Linea Aerea Suroeste (LASO) and Linea Aerea Noroeste are the two operating internal air lines.

Other airlines which offered service in Argentina during 1943 were: The two Argentine air lines, Aeroposta Argentina AEROPOSTA, between Buenos Aires and the southern part of the country; and Corporación Sudamericana de Servicios Aeroeos, between Buenos Aires–Asuncion–Montevideo. The Uruguayan line, Compañía Aeronáutica Uruguayan, S. A. (CAUSA) between Buenos Aires and Montevideo; the Brazilian line, successor to Condor, Servicios Aereos Cruzeiro do Sul (CRUZERO), between Buenos Aires and Rio de Janeiro. Pan American Airways (PAA) and Pan American-Grace Airways (PANAGRA) offered during the year 13 regular round-trip services per week between Argentina and the United States, with additional service to Santiago and Rio de Janeiro.

The most recent figures on air traffic are those for the first 9 months of 1943. These give kilometers flown, 1,999,253; number of trips, 3,683; hours flown, 8,612; passengers carried, 49,132; mail kilograms carried, 67,849; express kilograms carried, 323,733. As compared with previous years, the number of passengers carried increased by 19,490 over the figures for 1940; 8,634 over 1941; and 9,732 over 1942. For purposes of comparison, figures for the full year of 1942 are: Kilometers flown, 2,247,335; passengers carried, 55,014; mail kilograms, 78,968; and express kilograms, 210,518.

Railway Construction.—The policy of railway construction designed to link Argentina more closely with contiguous countries was ostensibly furthered by the appointment on November 22 of a mixed Argentine-Bolivian Commission, charged with control and supervision over the construction of the first section of the Yacuiba-Santa Cruz Railway. (An Argentine-Bolivian agreement, signed February 10, 1941, provides for construction of this line.) Actual construction has not yet started.

Of domestic interest is the construction of a railway from Pedro Vargas to Malargue in the Province of Mendoza, started in 1943. This branch is broad gage and will have an eventual length of 111 miles. Its object is to provide a railhead for asphaltic deposits located in the vicinity of Malargue. A total of 16,000,000 pesos was appropriated for this project. Much of the work is through solid rock, including a 166-meter tunnel. Two bridges, one of 70 meters over the Atuel River and the other of 50 meters over the Salado River, as well as other small ones, are included. It is desired that the line be in temporary operating condition by the end of March or April.

Australia

Transport and Communication

Civil Airlines Increase Service.—Civil air lines in Australia, despite fewer transport planes, continue to carry more passengers, mail, and freight. The Australian press states that during the fiscal year ended June 30, 1943, civil transport planes carried 1,660,000 pounds of mail, or 125 percent more than in the immediate pre-war year; 19 percent more freight, or 2,065,000 pounds; and 131,000 paying passengers were transported, a gain of 6.5 percent.

The Cover Picture

Russian Combine Operators

Agricultural workers such as those portrayed in our cover picture this week will be active, this year, in vast areas of Soviet Russian land which, a year ago, were in the possession of the Nazi invaders. The feature article in this issue tells the story of the vigorous and successful efforts of the Russian people to reconstitute productive activities in important regions of the Soviet Union that have lately been regained through the sweeping advances of the armies of the U. S. S. R.

This picture has been made available for our use through the courtesy of Miss Jessica Smith, editor of the magazine "Soviet Russia Today."

Belgian Congo and Ruanda-Urundi

Tariffs and Trade Controls

Cinchona Commission Established.—A Cinchona Commission has been established in Belgian Congo and Ruanda-Urundi, with its head office at Leopoldville and a subcommission at Costermansville, effective from January 10, 1944, by ordinance No. 8/Agri. of January 10, published in the Bulletin Administratif of January 25.

This Commission is to study, under the directives of the Government General, all problems connected with the culture of cinchona and the regulation of this culture. In addition, it is to perform any other functions conferred on it by the Government General or by legislation relative to cinchona cultivation.

Bermuda

Tariffs and Trade Controls

New 1944 Customs Tariff Increases Duty on Various Items.—The new 1944 Bermuda customs tariff, effective January 1, 1944, and published in the Bermuda Official Gazette of January 3, 1944, provides for increases of import duty on various alcoholic beverages and cinematograph films and imposes a general rate of duty on wool-knitting yarn, previously duty free.

The new rates of import duty on the products affected, unless otherwise specified, are on the basis of 1 gallon and are the same under the British preferential and under the general tariff (former rates in parentheses): Alcohol, 20s. (13s.) plus an ad valorem of 25 percent (25 percent); arrack, 20s. (13s.) plus an ad valorem of 25 percent (25 percent); brandy, 25s. (16s.) plus an ad valorem of 25 percent (25 percent); cordials, 25s (16s.) plus an ad valorem of 25 percent (25 percent); gin, 20s. (13s.) plus an ad valorem of 25 percent (25 percent); malt liquor, cider, and perry, per hogshead of 54 gallons, 60s. (£2); malt liquor, cider, and perry in containers commonly called quart containers, per dozen quarts, 4s. 6d. (3s.); peppermint water, 20s. (13s.) plus an ad valorem of 25 percent (25 percent) rum, 20s. (13s.) plus an ad valorem of 25 percent (25 percent); shrub, 20s. (13s.) plus an ad valorem of 25 percent (25 percent); whisky, 20s. (13s.) plus an ad valorem of 25 percent (25 percent); wine, ad valorem 33⅓ percent (25 percent); other potable spirits, 20s. (13s.), plus an ad valorem of 25 percent (25 percent); wool-knitting yarn, British preferential, free (free), general tariff, ad valorem 15 percent (free); cinematograph films (excluding undeveloped films), British pref-

erential, per 100 feet, 1s. 0d. (6d.) general 3s. 0d. (1s. 6d.).

The new customs tariff also imposed an additional surtax on cigarettes of 12s. 6d. per 1,000 applicable on both the British preferential and on the general tariffs.

[In addition to the above-mentioned import duties, surtaxes amounting to 72½ percent of duties are assessed on goods classified under the British preferential tariff and surtaxes amounting to 75 percent of import duties to those goods classified under the general tariff.]

Bolivia

Tariffs and Trade Controls

Period of Duty-Free Importation of Kerosene and Gasoline Extended.—The period during which the importation of kerosene and gasoline into Bolivia is free from duties and most internal taxes has been extended until June 30, 1944, according to a decree-law of January 22, 1944. This law revises the law of November 26, 1941, which established this exemption until December 31, 1943. The above measure was taken to facilitate imports of these products.

[For announcement of law of November 26, 1941, see FOREIGN COMMERCE WEEKLY of January 31, 1943.]

Cinchona: Exportation Restricted.—The exportation of cinchona, quinine sulfate, and other quinine derivatives from Bolivia requires the previous authorization of the Minister of Finance, according to a law of January 11, 1944.

Brazil

Motion-Picture Films Dutiable on Net Weight.—Motion-picture films of American origin imported into Brazil were made dutiable on the basis of net weight instead of legal weight, by the provisions of decree-law No. 5825 of September 16, 1943, published in the Diario Oficial on September 18 and effective on that date. The duties stipulated in the trade agreement between the United States and Brazil accordingly are now levied on the weight of the film excluding all wrappings. Therefore, unsoldered tin-lined cases are not computed in the weight when collecting import duties on American motion-picture films.

Canada

Wartime Commodity Controls

Private Sales of Used Trucks, Trailers, and Busses Placed Under Price Ceilings.—Sales of used trucks, trailers, and busses in Canada by individuals who are not in the automotive-sales business have been placed under a price ceiling, according to an announcement made on April 6 by the Motor Vehicle Controller.

Previously, sales by automotive dealers only were under price control; the new order extends the principle to sales by individuals not in the business of selling motor vehicles, whether in private deals, by auction, or in sales of personal or household effects.

The regulations, which became effective April 3, parallel those which have controlled sales of used passenger vehicles since last October. Both orders were concurred in by the Wartime Prices and Trade Board.

Maximum prices are established on the basis of new vehicle prices which are given in schedules attached to the order. Percentages are fixed to allow for depreciation according to the age of the model, and provision is made for handling charges, optional equipment, and transportation costs.

The order requires that an invoice be delivered to the purchaser in each transaction, stating terms of sale, price, model, model year, serial number, wheel base, tire equipment, and any extras or accessories included.

[For previous announcement see FOREIGN COMMERCE WEEKLY of November 13, 1943.]

Tariffs and Trade Controls

Onions: Duty-Free Entry Period Extended.—The temporary duty-free entry of onions imported into Canada from any source has been extended for a further period, May 1 to May 15, 1944, by an order in council dated March 13 and published in a customs memorandum by the Department of National Revenue, Ottawa, on March 16.

The above order supplements the original one which provided for duty-free entry for the period January 1 to April 30, 1944, and applies only to onions in their natural state (not to include onions with tops, shallots, and onion sets).

Imports of fresh onions, including onions grown with tops, shallots, and onion sets, have been exempt from the War Exchange Tax and the special excise tax since June 15, 1943.

[For previous announcement of the duty-free and tax-free entry of onions, see FOREIGN COMMERCE WEEKLY for January 22, 1944, and July 17, 1943, respectively.]

Transport and Communication

Increased Railway Earnings.—The earnings of the Canadian Pacific Railway, from the beginning of 1944 to February 14, are reported to have increased

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches]

Nazis' "Economic Mobile Units": What They Are, How They Operate

The Germans have developed a special force for the purpose of dealing with economic problems in occupied areas—the "Economic Mobile Units." On the basis of reports given in "Der Deutsche Volkswirt" the following description will give a general idea as to how these units operate.

The Economic Mobile Units of the German Army were formed in 1935. A group of specialists in the fields of economics, egineering, mining, and other technical branches was trained under Colonel, later General, Thomas. These men were provided also with training in economic geography. They learned where the Nazi economy was deficient—certain types of instruments, tools, metals, and machinery. Their second task was to learn where neighboring countries which could be taken over could supplement the Nazi economy with its deficient materials. In the beginning there were very few of these troops. Their duties were defined as follows:

(1) Support of the combat troops by economic measures. If the combat troops are entering a town, the economic units immediately advance with or behind the infantry. They immediately make a survey of all utilities in the town—necessities of life—food, provisions, fuel, factories, mines, etc. They will keep this machinery in working order as much as possible. In Belgium for instance they had to put into order 400 flooded mines within a few weeks.

(2) They will seize finished products or raw materials and send them back to Germany. The combat troops enter and put up signs "Seized by the Army High Command," and a strong guard will be posted. Columns of trucks will advance from behind and report to the Economic Mobile Unit officers. They will take back all material which has been seized. There will be screws, metal, wire, tools, from nails and pins to the big drop hammers used in heavy industry.

(3) They seize factories and shops to relieve supply lines. When the units enter they will immediately see to it that every flour mill or bakery will remain in operation and supply the troops on the front. A new supply center is immediately created. The Economic Mobile Units see that no inexpert handling of material shall occur. An ordinary soldier would confiscate machinery in the flour mills as well as in the armament factories. The Mobile Units prevent such a practice.

(4) Their duty is to disarm the conquered territory. The official classification of the orders for Economic Mobile Units list disarmament as No. 4. Other units will cope with simple confiscation. The disarmament job is handled in a very expert way. The German Mobile Units organized the transfer of large railroad guns like those of the Maginot line now used in the coastal defenses along the English Channel.

(From "Economics of Military Occupation," by Henry Simon Bloch and Bert F. Hoselitz. Publisher: The Foundation Press, Chicago, Ill.)

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Brazilian Foreign Trade in First 8 Months of 1943

Brazilian foreign trade increased appreciably in the first 8 months of 1943, a favorable trade balance recorded in Brazil's commercial trade relations with the Americas, Europe, Africa, and Oceania netting the country a surplus of 1,621,450,000 cruzeiros (U. S. $81,072,500), says a statement just issued by the Brazilian Government Trade Bureau.

The volume of exports remained at a high level; imports showed a considerable gain; and the value of the trade rose significantly.

Manufactured goods represented 51.5 percent of all imports, raw materials 31.5 percent, and foodstuffs 16.5 percent. (All percentage figures are based on value, not volume.)

As in other years, the predominant item of export was foodstuffs, which accounted for 48 percent of all foreign sales. Second came raw-material exports with 32 percent; and third, manufactured goods with 20 percent.

Trade with the American republics represented 89.5 percent of all imports and 71.3 percent of all exports. The favorable balance resulting from this trade amounted to 452,935,000 cruzeiros.

In Europe, Brazil bought 8 percent of all its imports, and sold 18 percent of all its exports—this exchange providing Brazil a trade surplus of 657,740,000 cruzeiros.

Purchases from Africa amounted to 1.5 percent of all imports; and sales aggregated 10.5 percent of all exports. Favorable balance of this trade was 521,820,000 cruzeiros.

Only trade with Asia witnessed a deficit, imports totaling 0.5 percent and exports 0.2 percent of the trade; the loss to Brazil, however, was a mere 11,097,000 cruzeiros.

Commercial relations with Oceania continued at so slight a pace as not to merit a percentage rating. Still the trade netted Brazil slightly more than 52,000 cruzeiros.

24.4 percent over the corresponding period of 1943, or a total of $19,228,000 compared with $15,454,000. Gross revenues in 1943 were over $297,000,000, against $256,900,000 in the preceding year; net earnings, less operating expenses, jumped to $49,200,000, compared with $48,200,000 in 1942; and net earnings in 1943 were more than in any other year except 1928 when the total was approximately $53,000,000, says the Canadian press.

Chile

Tariffs and Trade Controls

Excise Taxes Increased on Cigarettes and Elaborated Tobacco.—The Chilean excise taxes on cigarettes and elaborated tobacco were increased by law No. 7750, published in the Diario Oficial and effective from January 7, 1944. The new rates on cigarettes range from 45 percent to 55 percent of the selling price, representing an increase in each case of 5 percent ad valorem. On manufactured tobacco, loose, pressed or in the form of rope, cut, granulated or pulverized, the rates have been changed from 0.25 to 0.35 peso per package of 20 grams and from 12.50 to 17.50 pesos per gross kilogram.

On imported tobacco products the rates of tax are increased by 50 percent of the above.

Transport and Communication

Increase Shown in Railway Budget.—The budget of the State Railways of Chile for 1944 show a decided increase—1,211,276,200 pesos, compared with 967,597,000 pesos in 1943.

China

Transport and Communication

Chungking Cable-Car Project.—To facilitate transportation of passengers and freight from the Yangtze and Chialing Rivers to the upper level of Chungking, China, a company has been formed to build two cable-car lines and one cableway. The company has an authorized capital of CN$40,000,000.

The first cable-car line, intended mainly for passengers, will be built at the Wang Lung Men Ferry, where it is estimated that 20,000 persons daily ascend and descend the approximately 300 steps, on foot or by sedan chair.

There will be two cars, each with a capacity of 40 passengers. The cars will run on 35-pound rails, and automatic brakes will be provided as a safety factor to stop the cars in case of the breakage of a cable. Specifications have not been prepared as to how the power will be supplied, possibly by a steam engine. The two cars will be operated simultaneously, one moving upward while the other moves downward. Because of the rise and fall of the Yangtze River, it will be necessary to have the lower landing on a pontoon.

The second cable-car line, which will be similar in design, will be built at Chaotienman, near the confluence of the Yangtze and Chialing rivers. It will carry both passengers and freight.

The cableway will be built at Niu Ko To on the Chialing River, near the offices of the National Resources Commission, and will be mainly or entirely for the transportation of freight, which will be carried in large buckets suspended from cables.

Costa Rica

Tariffs and Trade Controls

Supplementary Import Tax on Cement Doubled.—The supplementary import tax on cement has been increased from 0.05 to 0.10 colon per 42.50 kilograms of cement imported in any form and for any use, according to decree No. 59, promulgated March 14, 1944.

[Cement is free from basic import duty in Costa Rica, but since January 6, 1943, has been subject to an import tax of 0.05 colon per 42.50 kilograms.]

Cuba

Tariffs and Trade Controls

Used Cotton Bags: Import Duty Reduced.—Used cotton bags imported into Cuba for use in packing Cuban agricultural or industrial products, and bearing the trade-mark and the name of the product for which they were originally made are now dutiable at a fixed rate of $0.056 per kilogram if of Uinted States origin or $0.08 per kilogram from other countries, plus, in each case, a surcharge of 15 percent of the duty, according to decree No. 741 of March 25, 1944.

[Used cotton bags which now receive the same customs treatment as new cotton sugar bags, were formerly dutiable according to the thread count and weight of the fabric of which they were made up, at import-duty rates generally higher than the rate under the present classification.]

El Salvador

Economic Conditions

Business continued active during February, and the sales volume even rose above the previous peak of December 1943. Two-thirds of the coffee crop had been sold and more than one-third exported. The surplus of sugar for export was smaller than had been expected, owing to an increase in the sugar quota for domestic consumption. Reports have disclosed that El Salvador's trade with the United States during 1943 resulted in an export merchandise balance of more than $10,000,000 (U. S. currency). An Executive decree of February 12 "froze" the prices of all commodities and services at their December 1943 level.

Overshadowing the economic developments, however, were the unanimous designation on February 29, by the National Constituent Assembly, of General Maximiliano Hernandez Martinez to continue as President of El Salvador for an additional 5-year term to expire December 31, 1949, and the important changes effected in the Constitution by the National Assembly.

Constitutional Changes

The revised Constitution reserves to the State dominion over natural waterways, territorial shores, sea and air, and over all minerals or substances which constitute deposits distinct from the components of the land in which they exist; prohibits private monopolies, except

in the case of inventions, and establishes a State monopoly over all quinine products, their derivatives and substitutes; encourages the exercise of small business and industries in favor of Salvadorans and Central Americans by birth; prohibits the future acquisition of real property by persons whose entry into the Republic has been restricted or forbidden; and provides for the establishment of a National Economic Council, to be "composed of representatives of the economic interests of the country."

Agriculture

Coffee exports during the first 2 months of 1944 fell below those for the corresponding period of 1943, but as yet this has caused no concern. Exporters have been selling their high-grade coffee to the Salvador Coffee Co. and the lower grades in the open market, because the prices paid by the company for deferred quota coffee, which constitutes 30 percent of the total coffee crop, have remained closer to market prices for the high grades than for the lower grades.

The cotton crop was estimated at between 70,000 and 80,000 quintals (1 quintal=101.0 pounds), of which 66,753 quintals had been delivered to the warehouses by the end of February.

A decrease in the estimate of production of refined white sugar from 450,000 to 425,000 quintals, together with an increase in the sugar quota for domestic consumption, will reduce the amount available for export to about one-half that of the preceding year. Large exports of sugar during 1943 depleted stocks on hand to such an extent that the Government rescinded a restriction against the use of molasses by alcohol producers, and allocated 5,535 tons (of 110 gallons each) of this commodity for such use during February and March.

Cattle and hogs continued to be exported in limited quantities. Reports indicate that large numbers of cattle have succumbed to anthrax.

Business Activity

At the end of January the sales turnover was 18 percent above that for the average month in 1938, and higher sales were indicated for the first quarter of 1944 than for any similar period since 1938. Sales of dry goods and allied commodities were nearly 50 percent above those in 1938, and the indexes for hardware outlets stood at 113 (1938=100), "department stores" at 104, and drug and pharmaceutical sales at 98. In terms of value, merchandise sales, with the exception of domestic foods, were 81 percent above the 1938 level.

Living Costs

Prices generally have moved downward since controls were put into effect in September 1943. Reliable estimates placed the cost of living at approximately 50 percent above the pre-war level. The general index of imported goods dropped to 153 (1938=100), as compared with 165 in August 1943, and there has been a steady decline in the prices of drugs and hardware. On the other hand, higher prices for such domestic commodities as meat and lard were principally responsible for an increase in the food index. Legislation stabilizing the prices of all merchandise, commodities, and services at the levels current during December 1943 was passed in an attempt to reach agricultural products hitherto uncontrolled and to prevent an increase in the prices of a number of imported articles until they could be controlled individually.

Construction

Permits for new construction represented an increase over 1943, which exceeded the previous 5-year average. The new bridge over the Lempa River at Colima Pass, called the Puente Lempira, was reported to be nearly completed. Work was progressing on the buildings for the new textile mill. A new agreement has been signed between the Government of El Salvador and the Institute of Inter-American Affairs which will permit the continuance of sanitation activities.

France

Tariffs and Trade Controls

Commissariat General for Economies in Raw Materials Created.—A Commissariat General for Economies in Raw Materials was created in France by law No. 315 of July 31, 1943, published in the Journal Officiel (Vichy) of October 7, 1943.

The Commissariat General is to study or have studied, to take or instigate and have applied all measures capable of permitting the reduction of quantities of raw materials or of energy used in a particular manufacture, or the substitution of less scarce raw materials for raw materials customarily used.

In the accomplishment of this mission, the Commissariat may arrange for the construction and testing of new models, as well as for the establishment of the plan of manufacture and for the fixing of the cost price of these models; and may establish the necessary regulations to be imposed by decisions.

The Commissary General must advise on all official texts concerning economies in raw materials, as well as on decisions of a general order with the same object to be taken by the Secretaries of State, their services or organizations under their authority.

The public offices, various sections of the Central Office of Distribution of Industrial Products, the trade organization committees, and all similar organizations must furnish all necessary information to the Commissary General.

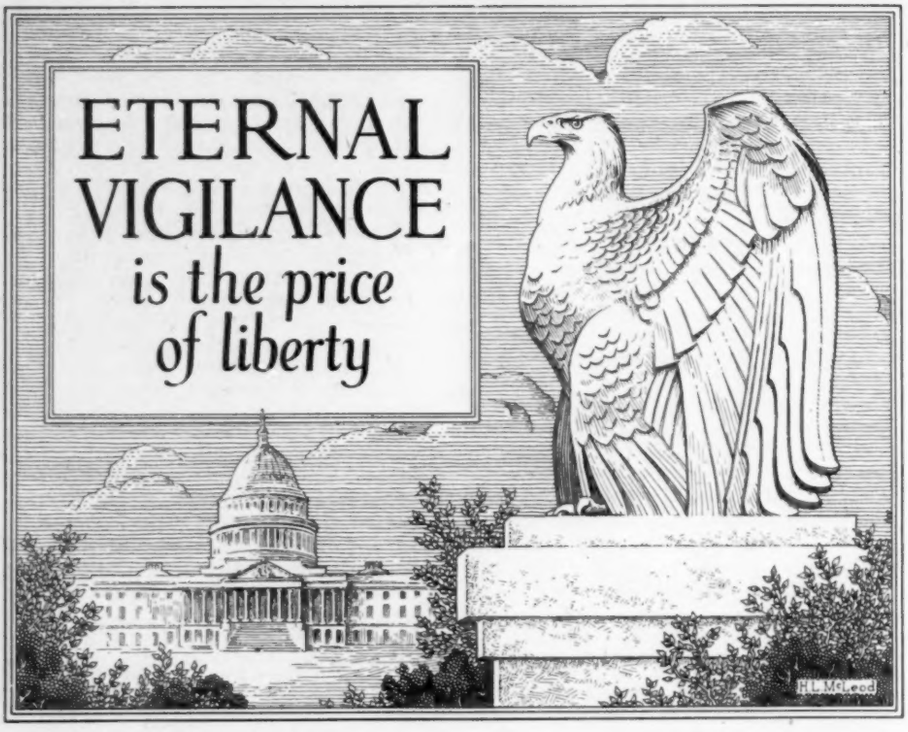
Travel Agencies and Bureaus: Special Taxes Fixed.—Special taxes have been fixed in France, to cover the administrative expenses of the Trade Organization Committee of Travel Agencies and Bureaus, by an order of September 20, 1943, published in the Journal Officiel (Vichy) of October 5.

The annual taxes were fixed at 500 francs for each enterprise and 100 francs for each branch, and the tax on turnover at 0.10 percent.

French North Africa

Tariffs and Trade Controls

Special Taxes Established in Tunisia to Cover Expenses of Liquidating Trade Groups and Committees.—A schedule of special taxes, varying in amount, has been established in Tunisia, effective from December 1, 1943, for the account of the "Tunisian Supplies," to cover expenses incurred in the taking over by a Public Service of the State of the obligations incumbent on the dissolved trade groups or committees, by a decree of December 2, 1943, published in the Journal Officiel Tunisien of December 8.



These taxes are to be collected as follows on:

Paper and cardboard: Importation and manufacture, 1 percent ad valorem; manufacture (exceptional tax), 10 percent ad valorem; sale from blocked stocks, 25 percent ad valorem;

Wares of precious metals, clocks and watches: Importation, 2.50 percent ad valorem;

Jewelry and wares of precious metals: Additional guaranty fee, 2.50 percent of regular guaranty fees;

Cement and lime: Sales by producers-importers, 20 francs per metric ton of cement, 15 francs per metric ton of lime;

Food preserves: Importation and exportation, 0.50 percent ad valorem; manufacture, 1 percent ad valorem;

Textiles: Importation of raw materials and distribution of textile products, 0.50 percent ad valorem; wool in the grease sold for the account of the General Supplies, 0.40 franc per kilogram;

Hides, skins, and leather: Importation and exportation, 0.50 percent ad valorem; increase of price of purchase by collectors, 5 percent ad valorem;

Dates: Exportation, "ordinary" dates, 2 francs, "Deglat-Nour," 10 francs per 100 net kilograms;

Wood, charcoal, and cork: 0.30 percent of amount of sales; and

Hogs: 5 francs per head slaughtered.

[Some of the above taxes are the same as those collected from the former trade groups and committees, as announced from time to time in FOREIGN COMMERCE WEEKLY.]

Gold Coast

Exchange and Finance

Treasury Reports Surplus for Fiscal Year 1942-43.—The Gold Coast concluded the fiscal year 1942–43 with a surplus of more than £178,000. Both revenue and expenditure far exceeded budget estimates, actual revenue for the year ended March 31, 1943, being £4,331,900 and expenditure £4,153,900, according to a Treasury Statement appearing in the Gazette of October 30, 1943. Revenue and expenditure increased 4.6 and 15.4 percent, respectively, over comparable figures for the fiscal year 1941–42.

More than 60 percent of the revenue was derived from customs and excise taxes which totaled £2,616,800. For the first time in the colony's history, expenditure exceeded £4,000,000, chiefly because of an increase of 38.8 percent in public works allocations which exceeded £921,600.

The funded debt of the colony amounted to £10,400,000, and the sinking fund for the amortization of the funded debt reached £1,958,900.

The sum of £800,000 has been loaned free of interest to the British Government for the duration of the war.

Estimates of revenue and expenditure for the fiscal year 1943–44 total £3,865,000 and £4,025,000, respectively.

Guatemala

Tariffs and Trade Controls

Phosphates of Ammonia for Industrial Use Reclassified at Lower Duty.—Phosphates of ammonia, when imported into Guatemala for industrial use in containers weighing 10 or more kilograms, have been reclassified for customs purposes under the import-tariff item covering sulfates and chlorides of ammonia, and made dutiable at $0.04 per gross kilogram, instead of $0.25 per gross kilogram as heretofore, according to a customs circular published March 8, 1944. When imported in containers weighing less than 10 kilograms, phosphates of ammonia remain dutiable at $0.25 per gross kilogram as unspecified salts and compounds of ammonia.

Haiti

Economic Conditions

Business in Haiti continued at a generally satisfactory level during February despite slow movement of the coffee crop and the existence of other factors tending to restrict commercial activity.

Only Gonaives reported exports of coffee; only Cap Haitien reported shipments of cocoa; no cotton moved out of the country. Decreased SHADA operations, combined with a long dry spell, depressed business conditions in Cap Haitien. Coffee purchases were reported as only slightly improved in Port-de-Paix as a result of a fall in prices. The cocoa crop in this area has still failed to move to port. From Gonaives and St. Marc reports indicated a feeble movement of coffee and cotton. In the South the Cocoa crop has terminated and the highland coffee has yet to be harvested.

Larger shipments of bananas were made as increased activity was noted in that industry. Imports continued at a high rate, exceeding exports. Government revenues in February were high, and were exceeded in the last 18 months only in February and October 1943.

EXPORT COMMODITY TRENDS

Exports during February lagged, primarily as a result of the slow movement of the coffee crop. Total exports of coffee were only about one-third those recorded in February 1943. The price of coffee also has been generally lower than last year, though a fairly recent upward trend tended to decrease the difference. Rigid application of new coffee laws, imposing new grading methods, higher standards, and unfamiliar routines on the peasant, deterred the bringing of coffee to market.

Increased activity in the banana industry has resulted in increased shipments of this commodity giving some stimulus to business throughout the country, and, at the present rate, exports of bananas in 1944 may reach the 1939–40 level.

Sugar shipments to Switzerland consisted of 1942 stocks sold earlier but not moved until recently. Prospects for the present year, however, were the brightest in many years, with both raw sugar and molasses moving well.

Sisal exports continued to drop well below shipments of a year ago, lack of machinery parts proving a major obstacle to production. Further evidence also pointed to a smaller crop.

Cotton shipped in 1943–44 has consisted of stocks of last year's crop—the 1944 crop was expected to move in the near future.

Cocoa shipments continued to lag well behind as the crop moved to port very slowly.

FOREIGN TRADE

Although the total foreign trade of Haiti in February 1944 was above the normal trade of the past 18 months, it was 19 percent below that of February 1943 (a month of exceptional high trade, the best in 14 years, commercially), and failed to reach the level of the preced-

ing month. Imports were above normal, but exports were below average. The already pronounced import balance for the fiscal year was more than doubled as a result of February commerce.

Cumulative foreign trade during the first 5 months of the fiscal year 1943–44 (October to September) was, well in excess of that recorded in the corresponding period of 1942–43. The value of imports nearly doubled those of the preceding year. Exports were lower than those of 1942–43, with the result that a large import balance existed on February 29, 1944, in contrast with the export balance recorded in 1943. Import values continued to increase as a result of increased demand following greater employment and high prices. Export products, except for bananas, have moved very slowly throughout the present fiscal year.

Price Control

The most important development during the month of February in the field of inflationary controls occurred with the promulgation of a decree law of February 10 regulating rents, specifically prohibiting all increases in rent on properties intended for residential or business purposes. In keeping with the accepted practice, the Department of Commerce and National Economy fixed prices during the month of February for such items as cloth, paper, fish, glue, pruning knives, jute bags, nails, shoe tacks, razor blades, shoe polish, laundry soap, spoons, tanin, thread, and tinplate.

For several weeks there has been an acute shortage of all brands of cigarettes imported from the United States. Prices for stocks remaining were consequently beyond the fixed ceiling.

Operations in the black market are still in evidence, gasoline being the commodity most often dealt in.

India

Exchange and Finance

India's Fifth War Budget.—On February 29, 1944, the Finance Member of the Government of India laid before the Indian Legislative Assembly the proposed budget for the fiscal year April 1, 1944, through March 31, 1945.

Total revenue is estimated at 2,849,700,000 rupees; total expenditures at 3,631,800,000 rupees. There is thus a prospective deficit of 782,100,000 rupees at existing levels of taxation. It is estimated that proposed additional taxation would yield revenue of some 235,000,000 rupees, thus reducing the prospective deficit to 547,100,000 rupees. The 1943–44 fiscal year is expected to close with a deficit of 924,300,000 rupees, which may be compared with an actual deficit of 1,121,729,000 rupees in 1942–43.

Defense expenditures continue to constitute the major portion of the total expenditures. Of the total indicated above, 2,766,100,000 rupees is for defense and 865,700,000 rupees for civil needs. The financial settlement between the governments of the United Kingdom and India is to continue to be the basis for dividing the cost of defense between the two governments. As India is responsible for only those forces actually available and necessary for her own defense, ceilings have been placed for both ground and air forces. The ceiling for ground forces has not been reached, but the ceiling for air forces has been exceeded. As all the airports so far built have been necessary for the effective operation of air forces within the ceiling, their cost has been charged to India.

The Finance Member reported that subscriptions to Defense Loans have in the past year become outstandingly successful. In the 12 months ended January 31, 1944, all forms of public borrowing brought a record total of 2,790,000,000 rupees, three times the amount sold during the preceding year. The aggregate since the beginning of the war has now reached 5,470,000,000 rupees.

To further extend the sale of Savings Certificates into the villages, agents are to be sent into remote areas, where on a commission basis they will solicit investment on behalf of the Government and deliver the certificates to the purchasers. Extensive publicity is to aid in promoting the scheme.

Under the heading of "New Proposals," the Finance Member outlined the contents of two bills which he placed before the Legislature. They call for raising the minimum income subject to income tax from 1,500 rupees to 2,000 rupees, raising the rates on incomes above 10,000 rupees, and the collection of income taxes on a pay-as-you-go basis.

The rate of the Excess Profits Tax would remain the same (66⅔ percent), but the compulsory deposit would be increased so as to immobilize the whole of the excess profits remaining after income-tax and super-taxes have been deducted.

The Corporation Tax would be increased by 1 anna to 3 annas in the rupee (there are 16 annas to the rupee), but a rebate of 1 anna per rupee would be given for that part of the company's total income not distributed as dividends other than dividends payable at a fixed rate. Special provision would be made for insurance companies by which their combined income and super-tax would be limited to 5¼ annas per rupee, retroactive for 1943–44.

It is proposed that customs duties continue to have the 20 percent emergency surcharge on import tariff which has been in force for the past 2 years, with an increase to 50 percent for tobacco and spirits.

The excise duty on unmanufactured tobacco and cigars would be increased, and a duty of 2 annas per pound is proposed for betel nuts (the Indian substitute for chewing tobacco), coffee, and tea.

In discussing the subject of inflation, the Finance Member referred to the success of the Government's policy of selling gold. He said it has served to reduce the gap between India's exports and the restricted imports which are available under present circumstances, and by absorbing surplus purchasing power it has aided the fight against inflation. The Government's anti-inflation program also includes controls over a large number of commodities.

Sterling holdings of the Reserve Bank, which have been accumulating as the result of British war expenditures in India, were expected to reach approximately 9,500,000,000 rupees by March 31, 1944. Total sterling liabilities so far redeemed come to £350,000,000, and only £11,500,000 of Government of India Stock and Railway Debentures remain outstanding. Further repatriation was to take place on April 1, 1944, with the acquisition of the Madras & Southern Mahratta Railway and the South Indian Railway, operations expected to absorb approximately £6,000,000.

As a part of the reciprocal aid arrangement, the Government of the United Kingdom has agreed to set aside each year from now on a part of the dollars accruing from India's exports to the United States. This is apart from and in addition to current dollar requirements of the Government of India which

Investment Funds Go Begging in the Netherlands

The unshaken confidence of Dutch investors in all international stocks, even shares in Netherlands East Indies companies at their highest level, is a sore point with German occupation authorities in Holland. Recently a few shares of Lever Brothers and Unilever, Ltd., were offered on the Amsterdam Stock Exchange at the German-imposed ceiling price of 296 to buyers who had placed their orders last May 13. Almost no shares are available either below or at ceiling prices.

In a recent week's list of official dealings, only one or two instances could be found of trades made below ceilings, and these were only slightly under the top prices permitted. There was light trading in Fokker Aircraft shares—which, undoubtedly, is attributable to the severe damage caused to the Fokker plant in Amsterdam during an allied bombing attack last year.

Even in bond dealings, few prices outside the field of Government loans are below ceiling prices. No less than 7,000,000 guilders' ($3,780,000) worth of buying orders for mortgage bonds are waiting to be executed. But there is no supply of such bonds, and bonds of industrial and trading companies are also unobtainable.

Orders for 1,500,000 guilders' ($810,000) worth of Royal Dutch 3½ percent and 4½ percent bonds are on jobbers' books. Interest on the former bonds is a year in arrears, but still no sellers have come forward to offer the ceiling prices.

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are met from the Empire dollar pool under sterling area arrangements. It is thus planned that India shall have dollars available for immediate post-war use.

Transport and Communication

Railway Freight Carloadings.—Freight carloadings of the Indian railways decreased by 4.27 percent on the broad-gage and 4.75 percent on the meter-gage track in January 1944, compared with January 1943.

From April 1943 to January 31, 1944, freight carloadings were lower by 0.15 percent on the broad-gage and higher by 7.14 percent on the meter-gage.

Madagascar

Tariffs and Trade Controls

Tobacco: Metropolitan Tobacco Mission No Longer Controlled by Local Administration.—The orders of March 25 and May 13, 1943, which suspended the independent functioning of the Metropolitan Tobacco Mission in Madagascar, have been abrogated by an order of December 17, 1943, published in the Journal Officiel of Madagascar on January 1, 1944.

[See FOREIGN COMMERCE WEEKLY of July 17, 1943, for announcement of the order of March 25, 1943.]

Wares of Precious Metals Held by Individuals: Hallmarking Required.—No article of gold, platinum, or silver may be worn or kept in Madagascar without an official hallmark of France or of Madagascar, or one of the hallmarks approved for imports of gold or platinum articles, effective from March 1, 1944, by an order of December 17, 1943, published in the Journal Officiel of Madagascar on January 1, 1944.

[See FOREIGN COMMERCE WEEKLY of December 12, 1942, for announcement of revised hallmarking requirements.]

Madeira

Economic Conditions

Economic conditions in Madeira during 1943 continued to be dominated by the effects of the war. Of the "big three" of the island's industries—tourists, embroideries, and wines—only one, embroidery, was in a flourishing condition. The tourist trade continued to be virtually nonexistent, as has been the case since the outbreak of the war. Exports of wine were more than doubled, compared with 1942, but were still considerably under 1939.

Imports in 1943 were limited largely to necessary foodstuffs, mainly wheat, corn, and flour. Although stocks of foreign goods in Madeira are low or completely exhausted, there probably will be no general import activity until after the war.

Exports of Madeira embroideries during 1943 were valued at approximately $2,720,000, the highest in many years, and about $800,000 more than in 1942. More than one-half of all exports went to the United States. Judging by new orders constantly being received, it is believed that the embroidery industry will have a prosperous year during 1944. Some manufacturers, however, are not entirely satisfied with the prospect. They have tried for many years to make Madeira a center of quality rather than quantity production, and to a certain extent have succeeded.

They feel that at present the export markets are being flooded with Madeira embroideries of inferior quality which may later bring the whole local industry into ill repute.

According to semiofficial figures, 2,281,634 liters of wine were exported in 1943, compared with 925,700 liters in 1942, and almost 4,000,000 liters during the first 9 months of 1939. The most striking feature of the wine export trade in 1943 was the large increase in exports to the United States—841,687 liters, compared with 27,753 liters in 1942. Exports to Sweden, the principal market, amounted to 1,052,100 liters. The increased demand from the United States is expected to continue, but shippers will have difficulty in filling their orders because of the acute shortage of bottles.

Again large orders were received from the United States for willow baskets and bags, declared exports being valued at $371,994, almost double the declared exports for 1942. Exports of these articles to the United States in earlier years were negligible, as they were normally obtained from the Far East prior to the war.

According to unofficial figures, 3,161 metric tons of sugar were produced in 1943. An estimated production of about the same amount is expected for the current year. Sugar may be exported to Lisbon (Portugal) only, but because of the local shortage, none was exported in 1943 and none, it is believed, will be exported in 1944.

There was considerable unemployment in Funchal, the capital, and its environs, especially among those dependent upon shipping and the tourist trade.

Living costs advanced steadily in 1943. Shortages of gasoline and tires resulted not only in restricted local transportation but in increased operating costs as well. The small stocks of foreign imported goods have also increased in price, and even articles of Portuguese manufacture were much higher.

Mexico

Tariffs and Trade Controls

Temporary Duty-Free Entry of Cardboard Boxes for Packing Guayule Rubber for Export Authorized.—The temporary duty-free entry into Mexico of cardboard boxes for use in packing guayule rubber for export within a period of 1 year has been authorized by a customs circular, published in the Diario Oficial of March 27, 1944. In order to be entitled to this treatment, these containers must be bonded to guarantee their reexportation within the prescribed time limit, and must be marked in a visible place in such a manner as to permit their identification upon reexport and to indicate that they are destined for use in the exportaion of guayule rubber of Mexican origin.

Export Duties Imposed on Some Oilseeds, Fats, Soaps and Oils: Increased on Sesame Seed and Cottonseed.—Export duties have been imposed on some oilseeds, fats, soaps and oils, and increased on sesame seed and cottonseed by a Mexican executive decree, published March 11, 1944, and effective 3 days thereafter. The new rates of export duty, in pesos per gross kilogram, are as follows, with former customs treatment shown in parentheses:

Peanuts, 0.25 (free); copra, 0.30 (free); palm kernel, 0.30 (free); sesame seed, in containers made of at least 40 percent domestic fibers, 0.40 (0.001); cottonseed, 0.20 (0.02); hog lard, 0.20 (free); compound lard, 0.20 (free); edible fats, 0.20 (free); toilet soaps in any

Panama's Annual Agricultural Fair Successful

The town of David, Province of Chiriqui, in the heart of Panama's agricultural section, was the scene of the Fourth Annual Regional Fair last month. As evidence of the nation-wide interest in the event, the list of official visitors included the President, most of his Cabinet, and various lesser officials, as well as citizens of the capital. On March 16 the fair was officially opened by the President, who also presided at the laying of the cornerstone of the modern tourist hotel which is to be erected in David as a Government project, financed by the Chiriqui National Railroad and the National Tourist Commission of Panama.

During his visit the President also dedicated a site for a permanent building for the Fair, which hereafter will be an annual event of national scope, administered with Government assistance. The decision to make this fair one of national character is due to the impetus the administration has given agricultural development through irrigation projects, financial and technical aid to farmers, and the introduction of modern methods and implements. Agricultural development is spreading to other parts of Panama under the impact of fresh interest in diversified farming.

Many cash prizes were awarded to exhibitors in various classes which included beef and dairy cattle, poultry, vegetables, fruits, produce, canned goods, and handicraft. Considerable credit for the improved quality and increased variety of exhibits was attributed to the work of the Institute of Inter-American Affairs.

form, even when perfumed, 2 (free); washing or scouring soaps, not specified, 0.30 (free); sesame oil, not specified, 0.60 (free); cottonseed oil, not specified, 0.60 (free); peanut oil, not specified, 0.60 (free).

These export duties are in addition to the export tax of 12 percent of a stated official valuation, subject to change monthly.

Commercial Laws Digests

Taxation: Income-Tax Law Amended—Pay-as-You-Go Basis.—The Diario Oficial of February 11, 1944, contains a decree which adds a new chapter to the regulation of the Mexican income-tax law. This new chapter and its transitory articles have the effect of putting income-tax collections under Cedula I on a pay-as-you-go basis. Cedula I applies to industrial, commercial, and agricultural enterprises and accounts for the greater part of total income-tax collections.

The new regulations provide that taxpayers under this Cedula with gross annual income of 100,000 pesos or over must estimate their profits for the current year on the basis of profits of the preceding year and make payment in three equal installments in April, August, and December. Taxpayers with less than 100,000 pesos gross income are to pay in July and October. Final tax declarations are to be made in accordance with previous regulations, with adjustment to be made at that time. Failure to pay the anticipated tax in accordance with the provisions of the law is subject to penalty. One of the transitory articles provides that for taxpayers in Cedula I with gross income of 100,000 pesos or over, the *1944* anticipated tax is due 50 percent in March and 50 percent in July.

Nicaragua

Tariffs and Trade Controls

Prior Import Permit or Import Recommendation Required on All Imported Merchandise.—Nicaraguan importers are required to obtain permits from the Nicaraguan Board of Control of Prices and Commerce prior to the importation from the United States and Canada of merchandise not under decentralization control, and for imports of all merchandise from all other countries, under provisions of a Nicaraguan executive decree, published February 23, 1944, and effective the day following.

Import recommendations will continue to be required, as heretofore, for all goods imported from the United States and Canada over which decentralization control is still in force. The new import permits will be made out in sextuplicate, two of which will be sent to the exporter, one for his file, and the other to be presented to the Nicaraguan Consul when applying for a visa of prescribed shipping documents.

After April 10, 1944, the Nicaraguan customs will not permit the importation of any merchandise not covered by either an import recommendation or an import permit issued by the Board of Control of Prices and Commerce. Passengers' baggage and samples of no commercial value will not require prior authorization. The decree discontinues the requirement for a separate exchange permit.

Under revised instructions issued to Nicaraguan Consuls on March 17, 1944, documents required on shipments to that country may be visaed when the shipper presents, in lieu of a United States Export License showing the number of the corresponding Nicaraguan Import Recommendation, a prescribed statement (shipper's certificate) showing the number of the Export License and the date of issuance together with the number of the corresponding Import Recommendation and its date of issuance; or copy six of the Nicaraguan Import Permit. If the Export License, or the prescribed statement, does not show the number of the corresponding Import Recommendation, copy six of the Nicaraguan Import Permit must be presented.

Proven Practicability of Importing Foods by Air From Latin America

The most exotic and perishable of fruits and vegetables from Central and South America may soon become commonplace on many an American dinner table, recent successful experiments have proved.

Not only will it be possible for American housewives and restauranteurs to provide variety and distinction to menus by including such hitherto rarely available delicacies as papayas, mangos, and passion fruit, but a new and profitable business in importing these Latin American favorite foods by air is expected (by many students of the situation) to follow the war.

The recent air-cargo meeting in Detroit that attracted nation-wide attention and was designed to call attention to the practicability of air transportation of foods, particularly fruits and vegetables, from the farthest reaches of the Western Hemisphere, proved the interest in (and market for) foods flown from southern countries to the United States and thence to our interior cities.

Heretofore, the high perishability of many Latin American fruits and vegetables (papayas, for example, must be picked dead-ripe) prevented their importation by the relatively slow transportation means of surface shipping or even rail.

Now, however, a box of Argentine grapes or Chilean melons can be loaded aboard a high-speed plane and delivered at one of the great international air gateways in the United States in a short matter of hours, still as fresh and palatable as when picked ripe on some South American rancho.

Speed will not be the only advantage of scheduling fruit and vegetable imports by plane from "south of the Rio Grande." The careful handling that has distinguished air cargo service in the past is particularly desirable in the matter of fresh produce. Shipping costs by air compared to those by other means, considering the nature of the shipment, are expected, it is said, to be well within the range of the average shopper's pocketbook.

Greater variety, better flavor, fuller fruit, less shrinkage, and a higher vitamin content in fruits and vegetables is promised by the economic and agricultural experts who were present at the Detroit meeting.

Northern Rhodesia

Exchange and Finance

New War-Bond Issue Announced.—The Government of Northern Rhodesia has issued a new series of 3-percent War Bonds which will be available for purchase at par until further notice, and will be redeemed in 10 years at a premium of 1 percent. Individual holdings are limited to £1,000. The bonds were issued for the express purpose of raising money to lend to the Imperial Government for the prosecution of the war.

The Crown agents for the colonies have been instructed to pay £500,000 to the Government in the United Kingdom as a further loan, free of interest, from Northern Rhodesia.

Panama

Economic Conditions

Economic developments in Panama during February evidenced a continued slacking off from the record pace set during the year 1943. Banks reported collections as standing up well but reflecting a substantial reduction in volume when compared to the corresponding period in 1943.

The Government-sponsored organization, Banco Agro-Pecuario, in its program of aiding agricultural and livestock development, announced that in the period 1941–43 it had loaned to farmers and cattle raisers $923,000. The bank also stated—in line with its policy of promoting all national industries and those that utilize Panamanian raw materials—that it intended to extent financial assistance to persons engaged in the lumbering business.

February's rubber production reached a new high. The Rubber Development Corporation stated that 108,342 pounds were purchased during this time, of which 100,218 pounds were taken from

Ordnance Dept., U. S. Army

the Republic's natural resources, the remainder being salvage rubber.

Government activity in construction, potential and actual, brought several developments of interest during the month. The construction of the 40-room hotel in David, the capital of Chiriqui Province is sponsored jointly by the Chiriqui National Railroad and the National Tourist Commission. In addition to the Government-sponsored hotel in David, two other resort hotels in the area, one at Boquete and one at Volcan, are projected by the Actividades Chiricana, S. A., a company recently organized for this purpose.

Cemento Panameño, S. A., a newly formed corporation, has purchased a factory site which lies approximately halfway between Panama City and Colon on the Boyd-Roosevelt Highway near the Quebrancho River. The limestone and clay deposits located at the site are said to be sufficient for the plant to operate for 100 years at the projected rate of 90,000 tons per year. It is anticipated that approximately 300 men will be employed in the plant. Bids were opened for the contract to continue the sea wall which fronts the esplanada de Avenida Balboa. The length to be built is about 5,000 meters. Low bid for the work was $224,147. The project, it is expected, will be completed in 5 months.

In view of the construction activity, it is worth noting that during the month a deficiency appropriation amounting to $5,650,590 was made for the various Ministries and their activities. The bulk, about $4,000,000, went to the Ministry of Health and Public Works.

Sweden

Transport and Communication

Freight Index Figures.—The Baltic freight index compiled by Svenska Handelsbanken of Stockholm, Sweden, showed an advance to 306 in January, from 305 in December (August 1939=100). This resulted from increased freight rates for pulp, for which commodity the index advanced 5 points. The rates remained unchanged for other commodities. Compared with the corresponding month in 1943 the combined index for January showed a decline of 7 points.

Switzerland

Transport and Communication

Budget for Railway Construction and Maintenance.—The budget for the Swiss railways for 1944 is reported to include 25,598,700 francs for the construction fund and 8,032,900 francs for maintenance. Income was estimated at 402,100,000 and expenditures at 326,257,100 Swiss francs. The estimate of profit and loss showed 114,880,000 Swiss francs income and 183,318,000 Swiss francs for expenditures. The capitalization fund amounted to 333,000,000 Swiss francs.

The Swiss Federal railways have been able to save approximately 20,000,000 Swiss francs annually by utilizing tracks with concrete sleepers. The strengthening of the Swiss road beds, necessitated by electrification, has been the subject of special duty. At the time of electrification technical reforms were put into effect—in particular, the weight of engines and cars was increased and by degrees big freight cars are replacing the small ones.

Turkey

Tariffs and Trade Controls

Leaf Tobacco, Broken, Crushed, or Bruised: Exportation Prohibited.—The exportation from Turkey of leaf tobacco which is broken, crushed, bruised, and "dublu kapa" has been prohibited by decree No. 3/361 of February 1, 1944, published in the Turkish official gazette and effective on February 9, 1944.

Such tobacco must be purchased by the Monopoly Administration.

Union of South Africa

Economic Conditions

A Social Security Scheme, which frankly recognizes that its broad provisions cannot be realized except by raising the national productivity and consequently the national income, was recently presented to the South African Parliament in the form of a White Paper on Social Services. The White Paper comprises a summary of the reports of the Social Security Committee and the Social and Economic Planning Council. Although the Premier has pointed out that South Africa's primary object is to win the war and after that to deal with the problem of the returned soldier, both the Government and the "Opposition" agree that something must be done about social security during the present session of Parliament, and the matter has been referred to a Select Committee for consideration.

At present the Union Government spends about $39,000,000 a year on social assistance and social insurance—excluding such services as education. The proposed Social Security Scheme, as presented, would involve a steadily increasing expenditure reaching, in 1955, the sum of $160,000,000 annually, a sum today admittedly beyond the resources of the Union's taxpayers. It is felt, therefore, that aspects of the South African economy will have to be stepped up. It is said that the greatest possibility for improvement is in farming, which occupies 64 percent of the working population. The Planning Council recommends a vote of $20,000,000 for this purpose. The Council further suggests that the life of the gold mines—a vital factor in the Union's economy—might be prolonged by ultra-deep mining and by remodeling the State taxation policy.

In some circles it is believed that the greatest hope of increasing the national income lies in the field of industry. Its contribution rose from $112,000,000 in 1920 to $280,000,000 in 1938. There has been a great increase in secondary industry since the outbreak of the present war, but it is not known how much of this will survive normal competition. Nevertheless, the Planning Council experts believe that steady progress can be maintained by scientific State encouragement, and by raising the output of South Africa's semi-skilled and unskilled labor—a field which has not yet been explored.

The Council believes that another encouraging factor is that during the war the Union has almost become a creditor country. It has been paying off its oversea debts and today interest on State loans accrues almost solely to the people of the Union.

The White Paper proposes two Social Security schemes. Scheme A applies to Europeans, Coloreds, Asiatics, urbanized natives, native farm workers, and natives employed in the Reserves who desire to join. It provides old-age and invalidity pensions. Provision is also made for unemployment, training, recovery, sickness, maternity, funeral and removal grants, and allowances in respect to dependents, foster children, attendance in cases of sickness, incapacity, and large families. Annual payments range from $72 to $240, depending on the race of the recipient and whether his place of habitation is urban or rural.

Scheme B applies to natives who are not included in Scheme A and is limited to old-age and invalidity pensions, maternity benefits, recovery benefits, and dependents' allowances. It is based on the assumption that natives living in the Reserve do not need elaborate cash benefits, and, in the case of old age and invalidity, should receive only nominal payment supplemented by rations.

The Council recommends the establishment of a fund called the "Social Security Fund." All contributions by members and all money appropriated by Parliament are to be paid into this fund, and expenditures therefrom are to be made by a Social Security Commission.

United Kingdom

Transport and Communication

Extensive Air Service Still Expanding.—The equivalent of one and one-third times round the world every day of last year is the record made by the aircraft of British Overseas Airways Corporation, says the British press. This was an increase of 25 percent over the preceding year. The distance flown was approximately 12,500,000 miles.

Passenger ton miles totaled 11,252,868 in 1943, compared with 9,154,409; mail ton miles 3,094,235, against 3,318,250; freight ton miles 7,886,809, compared with 4,760,398; total traffic ton miles 22,233,912, against 17,233,057; and total miles flown 12,481,485, compared with 9,967,379.

Approximately 50,000 miles of routes are operated at present. One outstanding route is over 3,200 miles and operated between the United Kingdom and Montreal. The route from Durban to Calcutta, covering 8,000 miles, is another long-distance service. Other routes connect with various countries in Europe and also include a service to Baltimore, Maryland, United States.

Venezuela

Economic Conditions

Although shortages in certain products were experienced, and high prices to consumers for agricultural and other products still prevailed in Venezuela during February, general business conditions were maintained at the levels of previous months. Despite the expansion in construction activity, supplies of essential materials were available in sufficient quantity to meet requirements. The wholesale price index recorded a slight recession of 0.81 point to 129.03 (1938=100), but was still 0.55 point higher than at the close of 1943.

Agriculture

The rise in costs of food products was the topic of general complaint throughout the country. The trouble rose not so much out of production but rather out of transportation difficulties. Government agencies, in an attempt to ameliorate the situation, have resorted to a stricter application of price-control measures, particularly in the distribution and sale of vegetables. Emphasis was placed on narrowing the spread of prices between the prices received by growers and those paid by consumers in the retail market.

An executive decree of January 13, 1944, which prohibited the export or slaughter of cows fit for breeding, has caused widespread complaint among the cattle raisers of the country. The Government, in answer to these complaints, stated that because of the previous uneconomical slaughter of the cattle population, conditions were leading to a point where consumption plus exports would be in excess of production, thus creating the necessity of changing this food commodity from an export to an import basis within 3 or 4 years.

Mining

The declining trend in gold production was carried into the last quarter of 1943 when output amounted to only 567,895 grams, and during the entire year to only 2,373,627 grams. This represents a 34.2 percent decline from 1942 production. Reduced gold production is attributable to the nonavailability of mining materials from the United States and Great Britain. Total diamond output during 1943 aggregated 22,845.44 carats, a decline of 32.9 percent from 1942 production. As in the gold industry, diamond production is suffering from a lack of necessary materials.

Industry

In line with Venezuela's wartime policy of developing local industries to supply the domestic markets, is the announcement of the completion of a plant for the production of powdered milk, at Santa Barbara, in the State of Zulia. The anticipated capacity of the plant is 100,000 liters of milk per day of three shifts. It is expected that supplies from the new factory will, to a large extent, replace imports which currently amount to about 3,000 metric tons annually. The reconditioning of an open-hearth furnace and a small rolling mill, both located in Caracas, was recently completed. These units are to be used for producing concrete reinforcement bars with scrap iron as the raw material.

Transport and Communication

Service Increased and Airfields Enlarged.—Effective on February 26, 1944, the Pan American Airways service between La Guaira, Venezuela, and Miami, Florida, was increased from three to six flights per week, excluding Sundays. Linea Aeropostal, an internal air service company, set a record level of passengers carried during the month of February. In addition to improvements comprising the modernization and enlargement of the airfields at Maracaibo, Maiquetia (La Guaira), and Maturin, it was announced by the Ministry of Public Works that the passenger and freight terminals at Santo Domingo and San Antonio de Tachira would be completed in March and April, respectively.

Truck Service Disrupted.—The shortage of tires, particularly those used for trucks, was the subject of newspaper articles throughout the country. Because of this scarcity, the number of usable trucks has dwindled considerably and has led to the disruption of normal distribution channels as well as price speculation in food products.

Our Industrial Use of Silver Exceeds Imports From Other Americas

Use of silver by United States industry now far exceeds imports of the metal from the other Americas, principal source of new production.

This is revealed in an announcement of the U. S. War Production Board, showing that consumption of silver in 1943 totaled 118,000,000 ounces compared with imports of 63,000,000 ounces. Consumption of silver in industry as a substitute for copper and other industrial metals has risen to record figures. As a result, industry is drawing upon the huge silver stocks of the United States Treasury to meet the unprecedented wartime industrial needs.

One factor in the decreasing silver imports from the Americas is a big increase in the balance of trade in favor of hemisphere republics arising out of heavy United States purchases of basic commodities. This net balance of exports to the United States in 1943 approximated $500,000,000. Much of the silver and gold formerly sent to the United States to obtain dollar exchange now is being held in the producing countries.

In 1943, imports of silver, mainly from Mexico, declined 45,000,000 ounces under the 1942 total of 108,000,000 ounces.

Meanwhile, the War Production Board says, larger imports of refined silver from Mexico are anticipated. "It is hoped," WPB adds, "that some of this silver may be diverted to the Government stockpile for the purpose of meeting any sudden and unpredictable increase in demand."

News by COMMODITIES

Beverages

Madeira's Wine Exports

Madeira has long been famous for its fine wine, and today the production and export of wines are still among its principal sources of revenue.

For some years prior to 1914, the U. S. S. R. was Madeira's best wine customer, but in later years Scandinavia, especially Sweden, was the principal market.

In 1940, when war spread throughout northwestern Europe, exports of wine to Scandinavia dropped to a fraction of their former volume, but in 1943 exports of wine to Sweden again became important and 1,052,171 liters (1 liter= 1.0567 quarts liquid measure) were shipped to that country, compared with 635,505 liters in 1942.

The most striking feature of the 1943 market for Madeira wines, however, was the heavy demand from the United States. With supplies of French and other European wines cut off, and domestic production curtailed by the war, the United States turned to Madeira to help supplement depleted stocks.

According to statistics of the Madeira Wine Association, 2,281,634 liters of wine were exported from Madeira in 1943—more than twice the exports for 1942, which amounted to 925,755 liters.

Although production figures for Madeira wine are not available, it is believed that the 1943 vintage was reasonably large. Prices in that year were much in excess of 1942; in fact, the highest since 1930. Heavy shipments to the United States and increased local consumption of wine, owing to the lack of brandy, are the two principal causes for the high prices.

Increased Beer Production in U. K.

Beer production in the United Kingdom in 1943 amounted to 29,955,000 bulk barrels, compared with 29,170,000 barrels in 1942 and 25,531,000 barrels in 1939, says the English press.

Chemicals

Copper Sulfate Distribution, Bulgaria

Distribution of copper sulfate will be made to Bulgarian wine growers at the rate of 1 kilogram per decare (1 decare = 0.247 acre), the European press announces.

Additional copper sulfate may be obtained only against the deposit of scrap copper. A certain amount will be provided, however, for spraying tobacco, fruit trees, and seed plots, it is stated.

Canada's Coal-Tar Distillation Industry

The 1942 output of Canada's coal-tar distillation industry amounted to $6,805,791, compared with $5,146,443 in 1941, an increase of 32 percent, according to the Dominion Bureau of Statistics.

Of the 10 plants in operation, 4 were in Quebec. The principal products were creosote and other oils, pitch, refined tar, tar felts and sheathings, pitch coke, protective paints, phenol, cresol, and cresylic acid.

Cost of the materials used totaled $3,833,826, and included 37,542,547 gallons of crude tar valued at $3,043,221.

Fertilizers Scarce in Canary Islands

The situation in the Canary Islands in regard to the highly imported nitrogenous fertilizers remained difficult in 1943.

Two lots of ammonium sulfate arrived during the year and were carefully distributed. Several shipments of dried blood from Argentina also were received.

Fertilizer Situation in Finland

No phosphate fertilizers are available in Finland at present, but the shortage has not yet become serious as the soil still contains phosphates.

Nitrogen fertilizers are expected to be supplied this year in about the same quantities as in 1943. They are rationed, and sulfate of ammonia is the leading type used. Potassium fertilizers are unrationed, kainite being the principal material employed.

Developments in Ceylon's Chemical Industry

A pilot plant costing 300,000 rupees has been established by the Ceylon Government for the production of acetic acid from coconut shells.

Utilization of coconut shells for this purpose is expected to compensate in some measure for the serious decline of the coconut-shell charcoal market. The acetic acid industry may be able to absorb eventually about 500,000,000 shells annually, which, however, is only a small portion of the more than 400,000,000 used previously in making charcoal.

Apparel "Truism" Goes by the Board

Britain's war office has released a bit of news which shatters an old tradition! It has admitted, through the press, that the Army finds it far more expensive to clothe a man than a women.

Of course, nothing is too good for the fighting forces—but women who, for lo! these many years, have had to listen to mordant remarks about the expense of keeping them in clothing can hardly be blamed for indulging in a few ironic chuckles over this temporarily reversed condition.

Experiments also have been conducted by the plant in the manufacture of by-products, such as road tar, wood preservatives, and methanol, which have been tested by several Colombo firms and reported to be satisfactory substitutes for imported products.

A resolution is under consideration calling for the appropriation of an additional 98,100 rupees for improvements and extensions to the factory.

Swedish Fertilizer Concern Plans Expansion

Stockholms Superfosfat A-B, an important Swedish fertilizer concern, will enlarge considerably its factory at Stockvik, Sundsvall, a European chemical magazine reports.

In addition to increasing its output of fertilizers, the company will start production of methanol and synthetic resins, it is stated.

Oxygen Manufacture, Sweden

The Swedish company, Nordiska Syrgasverken A/B, has erected a new oxygen plant at Kneippbaden, near Norrkoping, a European chemical magazine reports.

Output from this factory, together with that of the plant at Motala, will be sufficient to meet domestic requirements, it is stated.

Swedish Match Company to Establish Factory in Venezuela

Plans are being continued for the establishment of a match factory in Venezuela by the Swedish Match Co.

This project has been under consideration for some time and is of interest in view of the serious shortage of matches during the past few months.

Coal and Coke

Canada's 1943 Production

Production of 1,597,000 tons of coal in Canada in December 1943, compared with 1,445,000 tons in November, brought the total for the year to 17,612,000 tons, a drop of more than 1,000,000 tons from the 18,900,000 tons produced in 1942.

Coke production in 1943 reached a total of 3,550,000 tons, output in November and December amounting to 339,000 and 344,000 tons, respectively.

Construction

Irrigation Projects in Argentina

Work was begun in Argentina during 1943 on two major irrigation projects. The first of these is the El Cadillal dam, 70.5 meters high with an anticipated reservoir space of 188,000,000 cubic meters. Total cost is estimated at 39,000,000 pesos. The second project is the construction of the Escaba dam on the River Marapa in the Province of

Tucuman. This reinforced 72-meter-high dam is expected to provide 120,000,000 cubic meters of storage for irrigation and for flood control. The cost is to be approximately 17,500,000 pesos.

Nearing completion is the El Jumeal dam in the Province of Catamarca, which is to provide water for the capital of the Province and irrigation for the surrounding area. Work continued on several other irrigation projects, including the Quiroga dam, Province of Santiago del Estero; Rio Tercero dam, Province of Cordoba; Canal del Norte in the Province of San Juan; and El Nijuil dam, Province of Mendoza.

Sanitary works costing approximately 28,600,000 pesos were carried out in 1943. These include extension and improvement of the sewerage and water-supply systems of Buenos Aires and its suburbs Vicente Lopez and San Isidro, provision of better water supplies in some 17 localities of the provinces, principally in Entre Rios, Santiago del Estero, Rio Negro, and Mar del Plata in the Province of Buenos Aires. Sewerage systems and water installations also were extended and improved in the town of Mercedes, Province of Corrientes, and in Cordoba, Mendoza, and Santa Cruz.

Building for Promoting Argentine Petroleum Industry

Y. M. F., the semi-State entity in charge of petroleum production in Argentina, has under construction a modernistic building to house activities connected with development of petroleum production as an important source of national wealth. Several units of the building have already been completed, and work is being continued on other sections.

Great care was taken in choosing the location for the building, with due regard to altitude, proximity to industrial plants, and even physical and magnetic conditions of the area. The best features of modern heating, lighting, and ventilation are being incorporated with the finest available technical equipment to provide an atmosphere conducive to scientific study.

The laboratories, which number 35, occupy five floors in one section of the building. These include workshops, a library, and department of archives. Other sections of the building include offices, a museum, and ample rest-room facilities, in addition to kitchens, dining halls, and an infirmary. The same care has dictated the arrangement of units within the building and purchase of all materials for the program of study and experiment.

The project indicates that Argentina is alert to the possibilities of developments of great importance through a scientific study of hydrocarbons.

Completion of Brazilian Refrigeration Plant Delayed

The new cold-storage plant of the Port Administration of Rio de Janeiro, which was nearing completion, was partially destroyed by a fire on March 8, 1944. The damage caused to the structure is expected to delay by several months the completion of this refrigeration plant.

Britain's Rope That *Floats*

A patent recently recorded in the United Kingdom, and reported in a textile periodical, describes methods of treating flexible rope so that it will float on fresh or salt water from 1 to 10 days. Many types of fibers may be used, including cotton, flax, manila, hemp, sisal, or viscose.

Rope so treated would be applicable for use as lifelines in rescue work, or as landing ropes. Luminescent materials could also be applied.

Work on Irrigation Projects in China

An appropriation of 150,000,000 Chinese dollars (7,500,000 American dollars at the official rate of exchange) has been authorized in Free China for continuation of work on the irrigation scheme. The building of more than 50 irrigation canals to serve approximately 500,000 acreas of land is reported by the foreign press to be in progress. About 40 irrigation projects have been completed since the beginning of the war.

Building Activity in Colombia

Private building activity in Colombia continued favorable in February, especially the construction of apartment houses and better-class private homes.

During the month, the Minister of Public Works let contracts amounting to approximately 1,000,000 pesos for the construction of aqueducts in the Departments of Tolima, Valle, Huila, and Antioquia. Aqueducts, sewer systems, and hospitals valued at 11,000,000 pesos are scheduled for completion during 1944.

Building Activity Somewhat Revived in Costa Rica

Despite higher cost of building materials, estimated to be about 65 percent above normal, shipping difficulties, and higher labor costs, construction in Costa Rica revived to a considerable extent in 1943 from the serious slump experienced by the industry in 1942.

The total number of building permits, which included both new construction and repairs, issued for San Jose in 1943 amounted to 541, compared with 493 in 1942.

There is a marked tendency in rural construction to replace the old-style Costa Rican country dwellings with reinforced concrete and brick houses. Local contractors believe that this tendency may be of considerable importance to the building industry as soon as the price of construction materials and their transportation costs from distribution centers to rural districts decline to a more normal level.

Practically all Government construction still is delayed because of the shortage of materials. Projects in various stages of completion include the new Presidential Palace, the building for the central market in San Jose, the slaughterhouse in that city, a number of Government schools, and sewerage construction in the new residential sections of the capital.

Building Projects in Panama

On the outskirts of Panama City, Panama, 125 acres have been bought by the Government as a site for a proposed tuberculosis hospital. The purchase price is reported as $75,000.

The Government has authorized the organization of a stock company with $150,000, capitalization to undertake the construction of the 40-room hotel in the city of David.

Building Boom Continues in Peru

Higher costs and increasing difficulty in obtaining certain classes of material, such as lumber, hardware, and plumbing and electrical equipment, failed to bring about the expected lag in Peruvian private-construction activity in 1943. Building permits issued in five of the principal municipalities in the Lima metropolitan area rose to 987, compared with 898 in 1942. As in 1942, much of this activity was in the construction of luxury-type private dwellings. Building costs in 1943 were estimated to have been about 70 percent higher than in 1940 and 1941.

At least six urbanization projects were actually in progress, and plans were made during the year for additional subdivisions. The building boom, which for the past 6 years has been transforming the outlying residential districts, can be expected to continue for another 2 or 3 years at the rate of approximately 1,000 units per year.

Five additional office and apartment buildings at an aggregate cost of about 6,000,000 soles are planned for erection in the city of Lima during 1944, and the erection of a 2,000,000-sole building to house the Union Club has been started.

Public building was active during 1943. Work was begun on the first of the buildings planned for the new Peruvian Engineering School which will involve an eventual expenditure of approximately 7,500,000 soles.

Extensive reconstruction work was undertaken during 1943 on the main cathedrals at Lima and Trujillo, as well as on churches at Chorrillos, Huaras, Chinca, Huamachuco, Chiclayo, Chancay, and numerous small chapels. Considerable progress is reported to have been made on the construction of a new church in the Chacha Colorado district of Lima.

Building projects nearing completion include the new 5,000,000-sole Municipal Building of the City of Lima and the 10,000,000-sole Las Palmas aviation school.

New tourist hotels were opened during the year at Huancayo, Piura, Trujillo, and Camana and similar facilities were being constructed at Abancay, Cuzco, Tumbes, and Puno.

Other building projects planned or in various stages of completion during 1943 include a 10,000,000-sole military school at Chorrillos, a new public market in each of the cities of Callao and Pisco, reconstruction of the National Library

Firewood Footwear in the "New Disorder"

A shoe factory in the city of Vilna in the Polish-Lithuanian border region, is reported by the German-controlled press to be using *cheap grades of firewood* in the manufacture of wooden-soled footwear for the civilian population of the "Eastern Occupied Areas" (areas where Nazi supremacy is now doing a swift vanishing act under the furious assaults of the Soviet armies).

Daily output is estimated to be approximately 1,000 pairs. Modern machinery and skilled workers are being imported from the Czech Protectorate to work in this and other Axis-dominated factories.

which had been destroyed by fire, a hospital in the city of Cuzco, and a sports field in Huancayo.

Prefabricated Houses in Sweden

A new type of prefabricated house, suitable for mass production, and which can be delivered complete with parquet floors, kitchen equipment, wallpaper, and outside painting, has been developed by a Swedish company, states the foreign press. A sample house was sent to Stockholm for a winter test of its insulation properties.

U. K. Plans Post-War Construction

Widespread reconstruction plans are being developed in Great Britain and Scotland. The Minister of Production announced that steps are being taken to insure the supply of all building materials required for post-war construction, and that an effort will be made to provide housing at rents that people can afford to pay.

During the reconstruction period, however, temporary housing for bomb-devastated families will be necessary until more permanent bouldings can be provided. Plans to furnish this housing are being carefully weighed. The Secretary of State for Scotland already has carried out experiments in the conversion of war-time hostels for use as temporary dwellings. Since October 1942 approximately 44 shops and other business properties have been or are being reconditioned to provide 80 dwelling units. In addition, 188 other properties have been requisitioned to be converted into about 476 units.

At least 23,000 forms have been issued to new applicants for houses and about 33,000 persons have renewed applications submitted previously.

Storage Facilities Being Provided in U. K.

The Parliamentary Secretary to the Minister of Agriculture of Great Britain reports that 16 large Ministry of Food silos are expected to be available by the next harvest, in addition to existing storage accommodations. Still further storage facilities are being provided at mills, on merchants' premises, and, to a limited extent, on farms.

Electrical Machinery and Equipment

New Hydroelectric Plant Completed in Brazil

A large hydroelectric plant, recently completed in the city of Macabu, Brazil, is part of an industrialization plan for the State of Rio de Janeiro, says the foreign press.

Completion of Costa Rica's New Hydroelectric Plant

During 1943 a new hydroelectric plant was completed at Las Ventanas, Costa Rica. This plant will furnish additional light and power to San Jose and a large part of the central plateau.

Electric-Current Restrictions Modified in French Morocco

Recent heavy rainfall in French Morocco, making possible an increase in hydroelectric power, has permitted a temporary modification of electric-current restrictions imposed on certain classes of users, primarily industries.

Increased Electric-Power Capacity in Peru

The rapid growth of Peru's electric-power capacity—from 201 plants with an installed capacity of 102,176 kilowatts in 1938 to 595 plants of 219,746 kilowatts in 1941—may indicate that progress in this field is to be expected during the post-war period. Of the 595 plants in 1941, 251 were hydroelectric and 316 were Diesel.

It may be expected that large plants for industrial purposes, such as are planned for Huallanca and Autisha, will be supplemented by many smaller plants to provide lighting to small towns and villages now not so equipped. This trend is indicated by the fact that 76 percent of the plants installed in 1941 were under 100 kilowatts and represented only 3 percent of the installed capacity.

Foodstuffs and Allied Products

Dairy Products

New Zealand's Output of Processed Milk

New Zealand's production of condensed and evaporated milk, dried whole milk, and dried skim milk, during the last quarter of 1943, the cumulative total for the year, and stocks as of December 31, 1943, are shown in the following table. Figures are from the Office of the Food and Rationing Controller (Ministry of Supply).

[In thousands of pounds]

Item	Quantity produced		Stocks on hand, December 31, 1943
	Fourth quarter, 1943	Entire year, 1943	
Condensed milk, sweetened	1,912	4,667	1,198
Evaporated milk, unsweetened	6,165	12,988	1,023
Dried milk, whole	3,077	8,263	441
Dried milk, skim	7,905	16,735	4,256

Fish and Products

Herring Industry of British Columbia, Canada

The catch of herring in waters adjacent to British Columbia in the 1943–44 season amounted to 97,805 green tons, compared with 79,035 tons in the preceding season, says a bulletin recently released by the Chief Supervisor of Fisheries, Vancouver, B. C.

The bulk of the catch is procured from the off-shore waters around Vancouver Island. Herring caught off the lower east coast of Vancouver Island are reserved for canning purposes. The 1943–44 pack totaled 1,195,902 cases, as compared with a pack of 1,237,161 cases in the 1942–43 season.

In pre-war days, most of the canning was done in Atlantic areas, but Britain's wartime demand for supplies has brought about a huge expansion of herring operations in British Columbia where the major portion of the Dominion's pack is now produced. It is understood that approximately 90 percent of this year's pack will be shipped to the United Kingdom, and the remaining 10 percent allotted for domestic requirements.

Herring also are used in the production of fish meal and oil. This season's production of fish meal is given as 7,524 short tons, with an additional 2,110 tons of herring-offal meal. The entire production of herring meal has been reserved for domestic use.

Production of herring oil amounted to 521,553 imperial gallons, and 302,613 additional imperial gallons were obtained from herring offal. Most of the oil is shipped in bond to Tacoma, Wash., for refining and returned to Canada. Recently, however, export permits have been granted for substantial shipments sold in the United States.

In normal times, a large proportion of the herring catch of British Columbia was dry-salted and exported to China. This trade has now been disrupted by the war.

Exports from East Canary Islands

In the past few years the Afro-Canary fisheries, specializing in various salt-fish products for export, have acquired some economic significance in East Canary Islands. In Las Palmas Province 26 factories and numerous vessels are in operation.

This industry began in 1943 with poor prospects because of low prices in continental Spanish markets—the sole available outlet except for small quantities sent to Spanish Guinea. Exports of preserved fish and fish products fell to 13,-

320,043 kilograms in 1943, compared with 20,309,025 kilograms in 1942.

Las Palmas exports also include shipments of fresh fish preserved in ice. The fresh fish, arriving at Las Palmas from the fishing grounds, is transshipped to Spain. Factories on shore receive no business from this transaction, the money goes mainly to continental Spain trawler owners. The total amount of fresh fish thus exported from Las Palmas in 1943 was 14,974,200 kilograms, against 8,337,098 kilograms in the preceding year.

The value of preserved fish and fish products exported from Las Palmas in 1943 may have amounted to roughly 50,000,000 pesetas, and the value of the fish shipped on ice from the port may be estimated at 40,000,000 to 45,000,000 pesetas.

The local fishing fleet was much better off in regard to coal and oil for fuel in 1943 than in 1942. All of the usual species, such as tunny, corvina, and cazon, were caught. The tunny fishing was restricted because factories were holding a surplus of this fish which they could not ship, owing to the nonissuance of navicerts. One trade source reports that stocks of tunny in Las Palmas factories total 1,600 metric tons, which include 1,200 tons in oil and 400 tons in brine.

Expansion of Rumania's Fishing Industry

The Rumanian Government has succeeded in expanding the fishing industry of that country in the past 3 years, says the foreign press, and has worked out an ambitious program for further expansion.

In 1940–41 the Rumanian fish catch amounted to 18,240,267 kilograms, in 1941–42 it totaled 22,605,263 kilograms, and in 1942–43 about 40,736,674 kilograms.

Fishermen were supplied with material and implements valued at 58,183,090 lei during 1941–42, and in 1942–43 materials supplied amounted to 81,199,109 lei.

New railway refrigerated cars have been made available to the fishermen, and the Government is planning to install refrigeration facilities in several cities.

To increase the production of fish still further, the Government is inaugurating a program for the establishment of a fishing fleet of 30 boats. Four motorboats have been ordered from Germany and 10 from Sweden.

Swedish Cooperative Union Acquires Large Fish-Canning Concern

The Swedish Cooperative Union (Kooperative Förbundet—commonly referred to as KF), Stockholm, recently acquired a large Swedish fish-canning concern, AB. Hugo Hallgrens Konservfabriker, Goteborg, owning three canneries in Sweden and one cannery at Hundested in Denmark. This transaction, which involved about 2,000,000 Swedish crowns (current pegged rate of exchange is 4.20 Swedish crowns to $1 U. S. currency), also included real estate at Karpalund in Skane. It is understood that the KF took possession of the three Swedish canneries on January 1, 1944, but the business is to be carried on under the old management for the time being.

The KF probably will dispose of the real estate at Karpalund and the Danish cannery (value of the annual output of the Danish plant is reported to be about 2,000,000 crowns) in the near future, it is reported.

The Cooperative Union already owns flour mills, crispbread bakeries, a margarine factory, a plant for producing jams and certain preserved fruits, and a vegetable-oil plant.

In addition, the Stockholm Consumers' Society, one of the largest of the many cooperative societies affiliated with the Cooperative Union, owns a meat cannery in Stockholm, as well as a fairly new fish cannery in Grisslehamm.

Fruits and Vegetables

Production and Exports, East Canary Islands

Bananas and tomatoes are the leading export crops of the East Canary Islands.

There was a substantial production of bananas throughout 1943. About 40,000 metric tons were exported, and about 16,500 tons were consumed locally.

The cultivation of tomatoes was pushed considerably in the fall of 1943 by growers and speculators, in anticipation of some development that would provide new transport facilities and thus a reopening of the United Kingdom and, eventually, other foreign export markets. This resulted in an overproduction of tomatoes.

As usual, the main production of onions was in Lanzarote Island. The 1943 spring and summer crop was estimated at about 3,000 metric tons, and an additional 2,000 tons was produced on Grand Canary Island.

Tomatoes and onions exported in 1943 amounted to 17,549,704 and 2,383,861 kilograms, respectively, compared with 15,363,138 and 3,313,160 kilograms, respectively, for these items in the preceding year.

The yield of potatoes, formerly an important export item, was insufficient for local consumption, and rationing was continued.

Continental Spain took the bulk of the year's fruit and vegetable exports. Records of the preceding year show that 39,325,820 kilograms of bananas, 14,344,620 kilograms of tomatoes, and 3,178,810 kilograms of onions were shipped to Spain in 1942, compared with 38,391,016, 15,957,504, and 1,968,861 kilograms, respectively, in 1943.

Exports to Switzerland, the only other country having any importance as a consumer of Canary Island fruits and vegetables in the years during the war, were higher in 1943 than in 1942. During 1943 they amounted to 1,537,797 kilograms of bananas, 1,534,200 kilograms of tomatoes, and 380,000 kilograms of onions, against 1,151,600, 988,516, and 134,350 kilograms, respectively, in 1942.

The prices per unit as exported to Spain were well maintained for bananas, except for a short time during the summer, less satisfactory for tomatoes, and generally bad for onions, as compared with 1942.

Decreased Currant Production in Greece

Currants, one of the most important agricultural products of Greece, are now used primarily for immediate consumption and only secondarily for the manufacture of alcohol and raisin sugar, says the Axis press.

Before World War II annual production of currants averaged about 130,000 tons. Of this amount approximately 75,000 tons were exported, 45,000 tons were used for the manufacture of alcohol, and the remainder for other industrial purposes.

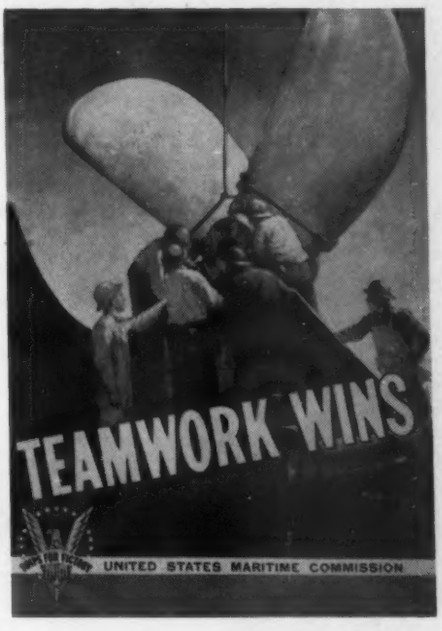
In pre-war years Greece imported about 70,000 tons of sugar. Since the outbreak of hostilities both the export of currants and the import of sugar in quantities comparable to those of the pre-war period, have been curtailed, which has resulted in an increase in the industrial value of currants and at the same time a noticeable increase in the production of raisin sugar, a substitute for beet sugar.

Annual production of currants in Greece has shown a steady decline in the past few years. In 1941–42 production amounted to about 50,000 tons, in 1942–43 to 45,000 tons, and in 1943–44 only 30,000 tons were produced. Reasons for the decline in production of currants are attributed to lack of fertilizer and chemicals (sulfur and copper sulfate), the latter to combat diseases of the vines.

As a result of a shortage of other foodstuffs, consumption of currants has risen, and this has made it impossible to produce enough alcohol and raisin sugar to supply the demand.

During 1942–43 in order to supplement the food supply, the "government" (Nazi-controlled) took over the control of the currant industry in Greece, and producers were obliged to deliver 75 percent of the crop to the Autonomous Currant Organization.

A special method of payment was established for currants as well as for other



agricultural products. In the autumn of 1942 certificates payable on March 31, 1943, were issued by the Bank of Greece, and producers were obliged to accept 25 percent in cash and 75 percent of the value in the certificates.

For 1943–44 although the system of payment has remained the same, the obligatory delivery of currants has been abolished, and the currant trade now enjoys complete freedom. However, in order to support the currant producers the "government" has decided to carry out a voluntary delivery of currants of the 1943 crop through the local currant cooperatives. The Cooperatives make purchases for the account of the Autonomous Currant Organization.

Mexico's Winter-Vegetable Production

Production of winter vegetables on the west coast of Mexico is expected to be about equal to that of last year, or 8,800 carloads, including about 7,500 carloads of tomatoes. In addition, it is estimated that about 500 carloads of tomatoes will be shipped from the new producing area on the western side of Mexico, principally from the State of Tamaulipas.

Most of the crop of winter vegetables in the State of Sonora has been harvested and shipped. Possibly a few carloads of peas may still be harvested in the Yaqui and Mayo River Valleys. Frosts in January and the early part of February almost terminated the harvest and shipment of tomatoes from the State of Sonora.

Grain and Products

Uganda's 1943 Maize Crop

Uganda produced 250,000 bags of maize (corn) in 1943, says the foreign press. This is particularly noteworthy, as in former years Uganda did not grow the cereal but depended on Kenya to supply its requirements.

Development of British Guiana's Rice Industry

The rice industry in British Guiana has developed to a great extent since the beginning of the war and seems destined for greater expansion. This improvement is attributed to the efforts of the British Guiana Rice Marketing Board and the Rice Expansion Committee.

Established in 1939, the Rice Marketing Board, a government organization, is the sole producer and exporter of rice in British Guiana, sole distributor of seed, and authority for regulating prices. It exercises complete control over the industry.

The Rice Expansion Committee works in close cooperation with the Board and is in charge of all capital works for increasing rice production. It is introducing mechanization in the industry, carrying out large irrigation and drainage schemes, and continually extending its activities. The works of the Committee are being financed from funds of the British Guiana Government.

The Rice Expansion Committee is preparing 12,000 acres at Mahaicony-Abary, about 40 miles north of Georgetown, as an experimental tract for the growing of rice. This will be the "proving grounds" for the prospects of mechanization of rice culture in British Guiana. All mechanized equipment will be utilized.

It is expected that, when the Government tract is producing at capacity, the over-all rice production of British Guiana will be increased by 15 percent. The aim of the Board and the Committee is to supply the total requirements of British Guiana and the islands of the West Indies (Trinidad, Barbados, the Windward and Leeward Islands). At present the entire needs of British Guiana and half the needs of the West Indies are being met.

With the overrunning (in 1942) of most of Burma, which formerly supplied the greater part of West Indian rice requirements, the Secretary of State for the Colonies requested the authorities in British Guiana to increase rice production to the limit.

Increased Plantings in Eire

Area in Eire planted to the three cereals, wheat, barley, and oats is expected to reach 2,065,000 acres in 1944, an increase of about 408,000 acres, or 24 percent, over 1943.

Wheat growing will be much increased this year even though the 700,000 acres expected by the Government may not be realized. In the event that 700,000 acres are planted to wheat, an increase of about 195,000 acres, or 38 percent over 1943 would be achieved.

Increases of about 160,000 acres of oats and 50,000 acres of barley over the acreage grown in 1943 are considered necessary to bring the 1944 acreage up to 1,100,000 acres of oats and 265,000 acres of barley. Oats and barley seed are said to be available in sufficient quantities.

Sugars and Products

Production of Sugar and Molasses, Barbados

Sugarcane harvesting operations in Barbados, British West Indies, started during the first week of February and indications were that the 1944 output would be about 135,000 short tons of sugar.

Exports of sugar and molasses from Barbados in December 1943 and January 1944 were heavy, and at the beginning of February only about 25,000 tons of the old crop remained, of which about 21,000 tons were in the form of sugar, and the remainder in edible molasses.

The Fancy Molasses Control and Marketing Board made allocation during February for the amount of fancy molasses for export. Subject to the approval of the Governor-In-Executive Committee, the total amount to be manufactured is 6,796,000 wine gallons (approximately 60,000 puncheons) divided in varying amounts among 32 plantations and factories. It is stated that most, if not all of the molasses, has been contracted for by Canada.

Sugar Production in Madeira

Production of sugar in Madeira for the crop year ended August 31, 1943, was approximately 3,500 short tons, which is reported to be normal. The estimated output for the year ending August 31, 1944, is about the same.

The exportation of sugar from Madeira is not permitted except to Lisbon. Because of the domestic demand, no sugar was exported in 1943, however, and it is believed that none will be exported this year.

Iron and Steel

Brazilian Company Plans Expansion Program

In view of the promising possibilities for the profitable production of charcoal iron and high-grade steel in the State of Rio Grande do Sul, Brazil, the Siderúrgica Rio Grandense S. A. is planning an expansion program for 1944, 1945, and 1946.

This company, organized in 1938, has been engaged at Porto Alegre, Brazil, in cutting scrap iron into small pieces, wiring it together in bundles which are heated to a welding temperature, rolling it into billets, which are reheated in the same furnace and rolled on a rod mill to rounds a minimum of ¼ inch in diameter. It is doubtful, however, if this product, expensively obtained and suitable only for concrete reinforcements, will meet standard specifications for reinforcing steel. The company plans in 1944 to melt scrap in a basic electric furnace. Using the scrap-pig process, with pig from the new Volta Redonda Plant in the State of Rio de Janeiro, an open-hearth furnace will supplement the electric furnace production. The company's foundry is casting the open-hearth metal parts and completion is expected by the end of 1944. A building is being erected, and plans are in process for installation of a wire mill to convert part of the rod production to drawn wire products.

In 1945-46, the company plans to expand to a site on the Jacui River, some 40 miles west of Porto Alegre, at the mouth of the Taquari River, which is navigable for some 200 kilometers. The site, where a 45-ton blast furnace is to be built, is across the river from Sao

Jeronimo, a coal-shipping point. Advantages offered by this location include barge shipping facilities and an easily accessible supply of cheap charcoal. A Government-sponsored hydroelectric plant is scheduled to be built nearby, possibly supplementing the installation with a steam plant burning coal from neighboring deposits.

When electric current is available at the Jacui River location, it is planned to move the electric furnace from Porto Alegre. The blast furnace is to be operated on imported coke and ore from Minas Gerais. The possibility of using the abundant supply of charcoal in the Taquari Valley for the primary reduction of ore is thought to be worthy of investigation.

The Jacui site of the Siderúrgica Rio Grandense appears to be an ideal location for the manufacture of sponge iron. Low-cost electrical current is promised for the immediate future; large deposits of noncoking, but satisfactory, coal are available for steam and heating purposes, and there is a large supply of low-priced labor. In addition to its proximity to the State's largest coal mines, this location is easily accessible to Itabira's low-phosphorous, high-iron content ore, as the ore can be shipped from Rio de Janeiro on the return trip of ships hauling coal from the Sao Jeronimo mine.

Wolfram mines less than 75 miles from the Jacui site are getting into production and indications are that 20,000 kilograms of concentrates a month will be immediately available. There are several deposits of manganese, and one deposit gives promise of producing the highest grade manganese so far located in Brazil.

The yearly accumulation of iron and steel scrap in the State of Rio Grande do Sul is conservatively placed at more than 10,000 tons, and a large part of it is heavy melting scrap. One company alone has on hand 40,000 tons of railway scrap, and meat and food packers accumulate in a year an estimated 4,800 tons of tin plate.

Canada's 1943 Production

Official statistics of iron and steel production in Canada in 1943 show 1,758,265 net tons of pig iron, 208,814 net tons of ferro-alloys and 2,996,978 net tons of steel ingots and castings.

Iron-Ore Shipments from Spanish Morocco

Shipments of iron ore from Melilla, Spanish Morocco, to Great Britain and Spain in 1943 are reported at 745,207 metric tons, 385,000 metric tons of which were shipped during the first half of the year.

Leather and Related Products

Leather and Manufactures

Shoe Manufacture in Brazil

Annual production of machine-made shoes in Brazil is estimated at 12,000,000 pairs. It is believed possible for Brazilian factories with their present working hours and facilities to increase production by 50 percent, or 6,000,000 pairs of low-priced shoes a year. This increased production would consist of 55 percent men's shoes and 45 percent women's shoes. Approximately half of this output would come from the Sao Paulo area and the remainder from the Federal District, Rio Grande do Sul, Minas Geraes, and other States.

Manufacture of an additional 6,000,000 pair of shoes, which would require approximately 750,000 hides (figured on a basis of 8 pairs of shoes for each cattle hide) could be accomplished only at the sacrifice of the current hide and leather exports.

Increased Production in India

Production of shoes and leather manufactures in Bombay, India, has increased during the war years, owing to the necessity for supplying the Indian troops with footwear and other requisites. In all, there are now 11 tanneries in operation, including small workshops, and 17 miscellaneous factories.

The industry employs 1,077 workers.

Rumania to Erect Tanning Factory

Because of a rapidly deteriorating leather supply, brought about by the cessation of imports from Italy and insufficient imports from Turkey and Germany, the Government of Rumania is planning to erect a tanning factory for the leather industry, the foreign press reports. Until now, Rumania has had to import 80 or 85 percent of its leather requirements.

Granting of Working Permits, Rumania

Tanneries in Rumania are obliged to transmit to the Under-secretariat of Commerce the names of customers and the quantity of material they have received for processing before they may obtain working permits, says the Axis press.

Shoe Production and Rationing in Sweden

Increased allotments of shoe leather have been distributed to Swedish shoe factories to cover the period March 1 to June 30, 1944. The new allocation corresponds to 30 percent of each factory's average consumption for the comparative periods in 1937, 1938, and 1939.

Existing shoe-rationing regulations have been modified slightly, the point value of certain types of heavy footwear being lowered.

Swedish shoe stores, moreover, were permitted during the period January 31 to February 19, 1944, to sell without restrictions a small part of their rationed footwear which was out of style. Such boots and shoes were sold on condition that retail prices should be reduced 33⅓ percent.

Announcement was made recently that the second shoe-rationing period would start on July 1 instead of November 1, 1944. This period will cover 1½ years, ending December 31, 1945.

Experiments have been made with a number of leather substitutes in Sweden, but to date only one factory has been successful in putting out a relatively satisfactory leather substitute. The new products, "S-Läderit," is based on modotiol (a thiokol type of synthetic rubber) and leather waste and is said to possess the property of resisting a temperature of 28 degrees below zero.

The factory manufacturing this product is located at Nol. It was founded in 1915, reorganized in 1922 and again in 1941, and is capitalized at 900,000 Swedish crowns (current pegged rate of exchange is 4.20 Swedish crowns to $1). This company manufactures a number of additional commodities, including artificial-leather cardboard, molded wood-pulp containers for chemical products, and foodstuffs. About 200 workers are employed. On February 27, 1944, the greater portion of this plant was devastated by fire and the damage estimated at approximately 1,000,000 crowns. It was possible to save part of the machinery as well as the stock of raw materials, however, and it is believed that production of the leather substitute will be resumed within the next few months.

Shortages Somewhat Relieved in U. K.

Difficulties in getting adequate supplies of bottom and upper leather continue to harass Britain's leather industry, although in some respects the general situation is more satisfactory than it was a year ago. Supplies of raw material had improved sufficiently by February 1

Home Weavers Render Big Service

Argentina's army of home weavers has saved the day for the corn harvest, reports the Review of the River Plate (Buenos Aires) in its issue of March 10. The reference is to the great number of cotton cloth bags of which the fabric has been woven on hand looms by some of the poorer country people in Argentina's northern Provinces.

The first 1,000,000 cotton bags for corn, manufactured through the efforts of the Corporación Argentina de Tejeduría Doméstica, were reportedly delivered to the Republic's Ministry of Agriculture on March 8 by the president of the corporation. The bags have been made in response to the Government's appeal for 2,000,000 bags needed for the Argentine corn harvest (it need hardly be said here that March in Argentina corresponds to September in the United States).

The cotton from which these bags were manufactured has been woven on several thousand hand looms, owned by the corporation mentioned and distributed through the Provinces of Catamarca, Jujuy, Salta, and Santiago del Estero—for the purpose of adding to the home income of the poorer classes in those regions.

to justify the issuance of directions by the Board of Trade providing for the manufacture of children's better-quality footwear. Certain amendments in specifications for utility footwear also were made.

Improvement is believed to have resulted partly from the United Kingdom-United States buying pact of October 1943, which provided for coordination in purchasing cattle hides abroad. Quality has held up well—some shipments are said to be better than before the war.

The manpower situation, another war-time difficulty, also has improved recently. Scheduling of the industry last year under the Essential Works Order strengthened its position both as to labor and priority requirements of materials and equipment. Most footwear companies have had substantial profits despite the handicaps of war-time conditions.

Expansion of trade in the current year will be determined chiefly by the raw-material supply. General belief is that it will be possible to satisfy the full requirements of the armed forces, with something left over for civilians.

Britain's leather industry is optimistic over post-war prospects—with production capacity on the Continent greatly reduced and a dearth of civilian footwear, both at home and abroad, the British industry should expand into further prominence.

Hides and Skins

Shortage of Sole Leather, Union of South Africa

Difficulty in procuring certain kinds of hides, particularly the heavier types, continues to beset the South African tanning industry. The position of sole leather may become precarious, states the foreign press, by reason of a sharp reduction in the number of cattle slaughtered.

Lumber and Products

Development of Manufacuring Enterprises, Australia

The Forest Products Division of the Australian Scientific and Industrial Research Department has cooperated in the development of a number of manufacturing enterprises, a British lumber journal reports.

Assistance has been given in working out new methods of manufacture, in setting up new operations, training staffs, and in designing plant layouts. The Division has furnished aid in connection with the production of rifle stocks, battery separators, new designs for boxes, and waterproof plywood for pontoons and collapsible boats.

More than 250,000 mechanical tests have been conducted on aircraft timbers alone.

Student Courses in Forest Practices, Ontario, Canada

Approximately 10,000 acres of central Ontario forest land have been made available to the University of Toronto Forestry School for study and laboratory experiments, a Canadian lumber journal announces.

Stands of white pine and hardwoods of various ages will be used as a "practice forest" through the cooperation of the Department of Lands and Forests. Students will spend 9 weeks in the forests making contour maps, estimating quantities of timber, drawing plans for logging roads, measuring log content, and studying sawmill methods.

Courses in fire protection and measuring of sawlogs and pulpwood also will be given. It is planned to have students carry on actual logging operations later.

Canada's Tree-Planting Campaign

An additional 10,000,000 trees will be planted on Vancouver Island and parts of the lower British Columbia mainland, a Canadian lumber journal reports.

Completion of this project will make a total of approximately 35,000,000 trees planted since an active tree planting campaign was started in 1940 by the Ministry of Lands.

Finnish Pitprops for Delivery to Germany

Prices and quantities for the 1944 sales of Finnish pitprops have been arranged with Germany, the European press reports.

A total of 450,000 cubic meters is to be delivered in the dimensions most in demand in Germany. Prices have been fixed at 320 Finnish marks for specified lengths and 300 Finnish marks for other lengths, it is stated.

The orders have been divided among the sawmill industry, the paper industry, exporters, and government institutions, such as the Board of Forests and the Timber Bureau of the Railway Board.

Lignum-Vitae Production in Honduras

Production of lignum vitae in the La Ceiba district of Honduras increased in 1943, owing chiefly to the large demand from the United States for this wood for military purposes. Several operators are engaged in its extraction in that region.

One of the principal uses of lignum vitae is in the manufacture of self-lubricating marine bearings, making it of particular importance to the expanded shipping industry.

Norwegian Forests Heavily Overcut?

Norway has been forced to rely chiefly on wood for fuel, and timber that has been cut or can be transported from the forests has not been sufficient to meet even essential requirements, a European lumber journal reports.

Because of heavy German demands for lumber of all kinds and the urgent need for fuel, Norwegian forests continue to be heavily overcut. In 1941–42 the felling program called for 14,000,000 cubic meters, approximately 40 percent more than the annual growth and from 70 to 100 percent more than the normal annual cut before the war. The 1943 fellings totaled 12,000,000 cubic meters.

Considerable amounts of timber are used for cattle fodder, and large quantities are taken by the Germans for military purposes and for paper and pulp. More than 1,000,000 cubic meters of coniferous wood went into cellulose production alone in 1943, it is said.

Peruvian Lumber Production

Although eastern Peru has produced substantial quantities of mahogany and

Where Java's Cotton Goes

For many months the Japanese military authorities on Java have been boasting about the success of their 5-year cotton-production plan which was ostentatiously intended to make Java self-sufficient and to provide enough material to clothe its 50,000,000 inhabitants. Broadcast after broadcast told of coffee and tea plantations which had been converted to the growing of cotton, "for the exclusive benefit of the Indonesian population." Farmers were offered premiums, in the form of permits for the purchase of an extra sarong, in order to stimulate cotton production.

It was no secret, however, that practically all of the product went to the military workshops for the making of uniforms, automobile tires, and other equipment. At the same time other Japanese broadcasts, emanating from Tokyo, indicated clearly that the cotton mills in the home country were severely handicapped by the lack of raw material, to such an extent that some of the most important mills were turning to the production of rubber household goods.

Apparently the need of cotton for home consumption in Japan itself has risen so alarmingly that the military rulers of Java have finally given in to the demands of the home authorities and have set aside some of their cotton crops for shipment to Japan. A recent radio announcement via the Batavia station stated openly that "a large quantity of cotton has already been sent to Japan."

While the booty is thus divided between the military authorities and the Japanese people at home, the Indonesians get their meager share in clothing rationed out on rare occasions only. On Moslem New Year, last September, clothing and textiles were distributed among Indonesian officials and employees of the military administration. On March 1, to "celebrate the inauguration of the Java Labor Association," a distribution of clothing took place for agricultural and industrial workers, and also for families of members of the "Java Home Defense Army." Indonesians who do not "cooperate wholeheartedly" with the Japs will evidently have to do without clothing.

cedar, chiefly for export, the west-coast region has been an important market for Douglas fir and other softwoods from the United States.

To offset a sharp decline in imports the Peruvian lumber trade has turned to domestic sources of supply, principally the lumbering areas on the eastern slopes of the Andes which are accessible by highways. The most important of these are Tingo Maria in the Department of Huanuco, the Satipo-Pangon region of Junin, and the Chanchamayo Valley of western Junin.

The largest sawmill in the Tingo Maria area has a monthly output of about 300,000 board feet, which could probably be expanded to 500,000 feet; smaller producers have a combined estimated output of 200,000 feet. In the Chanchamayo Valley, production is estimated at 100,000 to 300,000 board feet. Railroad and mining timbers are produced, as well as cedar and other woods which are shipped to Lima for the manufacture of furniture. Domestic algarroba and eucalyptus are being used to an increasing extent for mining and railway requirements.

Peru's Lumber Exports

In eastern Peru an important lumber export industry has centered around the river port of Iquitos. Production in this region, chiefly mahogany and cedar, amounted to almost 4,000,000 board feet in 1939, but dropped to approximately 1,200,000 feet in 1942.

Most of the output was formerly exported, since none could be shipped overland to other parts of Peru because of transportation difficulties. In consequence of shortages of oversea shipping space, large stocks of mahogany and cedar are reported to have accumulated.

Situation in Sweden's Lumber Industry

Discussions concerning Swedish lumber-trade prospects for 1944 have appeared in Swedish trade journals.

The situation in the industry continues to depend on trends of the war. If western markets are closed for another season, the year will reflect still more unfavorable conditions than at present; domestic markets also are expected to decline.

If the North Sea lanes should be opened to traffic, all sawmills in Sweden would probably operate at capacity. However, this favorable turn of events would result in a number of problems, since little coal would be available to relieve the existing shortage and the tonnage for lumber shipments has been greatly reduced since the war.

This year is expected to be either a continuation of the decline which began in 1940 or the beginning of a long and difficult adjustment to peacetime conditions, reports state.

Swedish lumber sales to Denmark, an important market in 1941 and 1942, declined almost 50 percent in 1943, a European lumber journal reports.

Purchases dropped to only 40,000 standards (1 standard=1,980 board feet) in 1943, whereas in the 2 preceding years they had amounted to about 75,000 to 80,000 standards annually. Because of the difficult clearing situation which developed, it was not possible to deliver all of the 40,000 standards.

Developments in Swedish Lumber Production

A drying kiln is being erected at Karlsborg, Sweden, by A/B Statens Skogindustrier, a European lumber journal reports. The kiln will have sufficient capacity for the mill's entire output of sawn goods, it is stated. Additional storage space also is being constructed.

Uddeholms A/B will establish a joinery mill at Skoghall.

Wood Research Activities in Sweden

Good results, offering promise for future activities, have been apparent in Sweden from the recent cooperation between the lumber industry and the State in timber research, a European trade publication reports.

The research program has been divided into three sections, two of which will operate at the Institute for Wood Research soon to be completed in Stockholm. These two sections comprise general fundamental and experimental research work. The first group will be financed entirely by the Government; the second chiefly by the wood industries.

A third group will engage in highly specialized research and will be supported entirely by private industry, including the cellulose, wood pulp, and cardboard industries.

U. K.'s Lumber Imports

Imports of softwoods into the United Kingdom are expected to increase in 1944, says a British lumber journal.

During the war, the bulk of these supplies must continue to come from Canada, and with the improvement in the shipping situation the outlook is favorable. Canadian shipments in 1943 were substantially larger than in 1942, and in 1944 probably will exceed the figure for last year.

The U. S. S. R. may be able to send larger cargoes to the United Kingdom from the White Sea, since the districts which furnish the lumber coming from Archangel, Onega, and Mesane have not been damaged by the war.

Machinery, Other Than Electrical

Equipment Manufacture in China

With the exception of the cables themselves, all the equipment for the construction of two cable car lines and one cable way in Chungking will be manufactured in Free China.

Output of Sweden's Machine-Shop Industry

Value of output of Sweden's machine-shop industry now approximates one-third the value of its total industrial production. Despite war conditions, this industry has continued to grow in importance. Abundance of raw materials has contributed much to its progress, labor shortages being the only deterrent to expansion.

U. K.'s Plow Production and Imports

A report made by the Minister of Agriculture of Great Britain states that the number of plows now on the land has been greatly increased by the maintenance of full production at home, supplemented by imports. Requests for tractor-plows still exceed the supply, but, according to the Minister, a substantial number were to be imported during 1944, of which approximately 60 percent will come from Canada.

Medicinals and Crude Drugs

Agar Production in Australia

War needs for agar have stimulated research in Australia. Enough seaweed containing agar has been found in New South Wales to produce 100 tons of the agar annually, says the British press. Agar is also manufactured in the Dongarra district of Western Australia.

At present production is far below requirements of the country, but it is expected that within 12 months, all domestic requirements for agar may be met.

Ipecac-Root Yields, Brazil

Yield of ipecac roots in the State of Mato Grosso, Brazil, probably will be reduced this year to 75 percent of last year's crop, which grossed about 55 tons.

Ipecac is a creeping plant. Because of the scarcity of rainfall last year, the ground is not humid and soft enough for easy gathering of the roots. To obtain the roots, the plant is pulled out of the ground and the roots are broken off. The plant is then put back into the ground, and, by the next year, roots are again ready for harvesting. In Mato Grosso harvesting is limited to the period from December to May.

The roots of ipecac are dried and used in a preparation for treating amoebic dysentery.

Nazis' Low Spirits in Russia Demand Strong Spirits From France

The Germans have found a new and significant excuse for appropriating enormous quantities of wine and spirits from France, states the foreign press.

A representative in the economic department at German headquarters in Paris, in presenting the requisition for the year ending July 31, 1944, declared that the supply of cognac was all-important for the German troops. "They cannot go without alcohol," he said, "in the extremely difficult conditions under which they are obliged to fight in Russia." He insisted that France should "understand" this point of view. (It seems to be a modern axiom that, the more obtuse and callous any Fascist is, the more often he demands "comprehension" from others.)

The requisition called for 150,000 hectoliters, equivalent to 26,250,000 pints of cognac and brandy, or 33 percent more than delivered by the French in the preceding 12 months.

In addition, the Germans demanded 22,000,000 bottles of champagne and sparkling wines. The French managed to have this reduced to 20,000,000 bottles which included 16,000,000 bottles of champagne, 3,000,000 bottles of sparkling wine—which the French said they did not believe it was possible to supply—and casks of wine equivalent to 1,000,000 bottles.

One of the greatest authorities on wine in France made some interesting comments. "Very obviously," he said, "the Germans are not concerned with quality, and that is to be expected. The 20,000,000 bottles of champagne and sparkling wine referred to represent a total roughly equal to that for a normal pre-war year in France. But quality was the thing that mattered then.

"Grape cultivation has continued in spite of hostilities, as it would be impossible in the Champagne area to switch over to, say, potatoes. But time is the deciding factor. Just as for cognac and brandy there must be a minimum of 3 years after distillation, so sparkling wines require at least 2 years because of their acid and gas content.

"In this latter respect it is possible by using sugar, of which the Germans have plenty, to cover up the acidity, and doubtless they are doing so regardless of the consequences.

"As to the effect that all this requisitioning will have after the war, I am not at all pessimistic."

Ipecac from Mato Grosso is reported to contain from 1,550 grams to 1,600 grams of emetine and 2,250 grams of alkaloids.

Atabrine Production in Palestine

Atabrine, the synthetic antimalarial, is now being produced in Palestine and is being exported to Egypt, says the European press.

Naval Stores and Resins

Resin and Turpentine Production, Honduras

In an effort to meet wartime shortages, the Fábrica de Manteca, at Blanquita, Honduras, a lard, soap, and vegetable-oil plant, has constructed from scrap materials a small still to produce resin. Turpentine is obtained as a by-product.

Honduran pine, which is plentiful in the La Ceiba district, is used as the raw material. It has been found to yield 75 percent by weight of resin and about 17 percent spirits of turpentine (7.2 pounds of turpentine per gallon). For a time the company used its turpentine product "Aguaras" as motor fuel for its truck, and some was sold to the Standard Fruit Co. for use in rail motorcars. It was said to be satisfactory, but more frequent removal of engine carbon was necessary. However, after more gasoline became available, the use of turpentine stopped.

Since pine reserves are extensive, a new naval-stores industry may possibly develop, should be Fábrica's experiment prove profitable under peacetime conditions.

Nonferrous Metals

United Nations' Tin Supply

Annual tin production now available to the United Nations is about 100,000 tons a year, says the chairman of the International Tin Research and Development Council.

The production capacity of the post-war world, estimated between 250,000 and 260,000 tons a year, will be far in excess of average pre-war consumption. That there will be room for expansion in the world market for tin may be seen in figures for per capita consumption before the war, amounting to 1.1 pounds per person in the United States and United Kingdom; 0.5 pound in Canada, France, Germany, and Belgium; and only 0.2 pound in Argentina and Italy; 0.1 pound in Russia; 0.02 pound in British India; and 0.01 pound in China.

Production in 1937 reached 208,082 long tons, the share produced by each country being as follows:

	Long tons
United Kingdom	1,987
Belgian Congo	8,084
Nigeria	10,782
Bolivia	25,128
Burma	4,636
China	12,871
Malaya	77,264
Netherlands Indies	39,133
Siam	15,786
Others	12,411
Total	208,082

Manganese-Ore Exports from Bulgaria

The exportation of manganese ore from Bulgaria has been prohibited because of increasing domestic needs. Production of manganese ore in Bulgaria decreased from 50,749 metric tons in 1937 to 34,887 in 1940.

World Production of Gold

World production of gold, outside the U. S. S. R., which reached a record figure of 36,300,000 ounces in 1940, declined to about 36,000,000 ounces in 1941 and to an estimated 32,000,000 ounces in 1942, says a foreign press report. Of the amount produced in 1940, about 38 percent came from the Union of South Africa, more than 14 percent from Canada, over 13 percent from the United States, 4 to 5 percent from Australia, and 3 percent from the Philippines. In 1941, production dropped 27 percent in the United States, 23 percent in Australia, 9 percent in Canada, and 2 percent in the Union of South Africa.

No official figures are available for production in the U. S. S. R., but private estimates for 1937 range from 4,400,000 ounces to 5,400,000 ounces.

Canada's Gold and Silver Production, 1943

Gold and silver production in Canada in 1943 has been officially reported at 3,652,400 and 17,186,000 ounces, respectively. December production of both metals fell below the November figure, gold production amounting to 267,800 ounces in November and 263,000 in December, and silver to 1,355,000 ounces in November and 1,251,000 in December.

Decline in Gold Production, Costa Rica

The decline in gold production from the large deposits of low-grade ore along the Pacific coast of Costa Rica continued in 1943, owing largely to a shortage of supplies. The value of shipments was $200,703 in 1943, compared with $413,391 in 1942, and $471,526 in 1941.

Manufacture of Chrome Transmission Beltings in Eire

Chrome transmission beltings are being manufactured at Carrick-on-Suir, Eire, by two Czechoslovakians who were engaged in this business in their native country before the war, reports a foreign trade journal.

Copper Mining in Peru

Annual output of copper in Peru usually ranges between 35,000 and 37,000 metric tons. After the record of 43,965 tons in 1940, production fell to 35,822 tons in 1941; to an estimated 36,572 tons in 1942; and to 28,711 in 1943.

Complete Peruvian ores may contain gold, silver, lead, and zinc, all of which may be recovered by one operator from a single ore. All copper mining so far in Peru has been done by underground methods. The gold and silver with which copper is usually associated in Peru is frequently the determining factor in deciding the economic value of deposits. The most important copper-producing area is the central Sierra, and Cerro de Pasco Copper Corporation is the largest producer.

Exports in 1942 included 30,926 metric tons of copper bars, 13,165 tons of concentrates, and 2,235 tons of copper ores.

Silver Production, Manufacture, and Exports, Peru

Of the 471,142 kilograms of silver ores produced in Peru in 1942, 420,048 kilograms came from mines of the Cerro de Pasco Co. Preliminary estimates for 1943 show total production of slightly less than 500,000 kilograms, of which Cerro de Pasco will account for about 90 percent.

Silver purchased by the Banco Industrial in 1942, for use in the arts and industry, totaled 38,650 kilograms. No silver was minted in 1942 or 1943, but orders were placed for new minting machinery.

About 5,000 persons are employed in the manufacture of silverware for domestic use and for articles of jewelry.

Exportation of silver articles from Peru in 1942 amounted to 7,779 kilograms and to 10,316 kilograms in the first 11 months of 1943. Markets, in addition to the United States, include Panama City, the Panama Canal Zone, Aruba, Trinidad, Brazil, and Curacao.

Zinc and Lead Production in Peru

Although zinc production is a recent development in Peru, expansion has been rapid. The first exports, 145 tons of zinc metal contained in concentrates, were recorded in 1924. Production in 1939 and 1941 reached 36,000 tons of concentrates (about 21,000 tons of metallic zinc), and the 1942 output is reported at 50,663 tons, with zinc content of 29,231 tons.

Estimates of production of zinc concentrates in 1943 are placed at approximately 54,650 tons, with a zinc content of about 32,450 tons. The estimated metal content of zinc mined by leading producers was 24,358 metric tons in 1941, 32,691 in 1942, and 32,285 in 1943.

Production of electrolytic zinc, which began in a small pilot plant of the Cerro de Pasco Copper Corporation in 1940, with annual output of 178 tons, almost reached the maximum annual capacity of 1,200 tons toward the end of 1943.

Lead is a coproduct of zinc in Peru—the mining of lead-zinc ores solely for their zinc content would be unprofitable.

Peruvian lead production is estimated at 54,822 tons in 1941, 55,892 tons in 1942, and 43,574 tons in 1943. Substantial quantities were licensed for shipment at the end of 1943 when the storage of lead at a number of mines became difficult.

Among lead exports in 1942 were 3,117 tons of ores, 8,056 tons in concentrates (including slags), and 36,980 tons of electrolytic lead.

Development of Spain's Zinc Industry

Looking toward the establishment of a zinc industry in Spain, capable of meeting the country's needs, this product is being closely controlled, ceiling prices have been set, and exportation is allowed only by permit. The treatment of ores domestically is being improved, in the hope of making the country independent of imports, the plan being to treat the greater part of the country's zinc concentrates at home.

Reserves of low-grade zinc ore are said to be large. The Reocin region reportedly contains an estimated 70,000 metric tons of calamine and 250,000 tons of zinc blend, and reserves in the Pico de Europa range are estimated to total more than 1,500,000 metric tons. The zinc produced in Santander is primarily a byproduct of lead mining.

Hydrous zinc silicate in the form of calamine ore was formerly exported in large quantities (12,000 metric tons in 1933), but this has been completely stopped. Exports of zinc blend, which averaged 60,000 metric tons a year before the Spanish civil war, were reduced to 29,894 in 1942.

Aluminum Manufacture in Switzerland

Switzerland has four aluminum foundries and eight plants rolling or pressing aluminum and manufacturing sheet-metal profiles and wire. The last survey showed about 1,600 enterprises manufacturing aluminum and alloys thereof. The industry fills domestic needs and furnishes aluminum exports in sufficient quantities to place it sixth among Swiss exporting industries.

The production record shows increases from 6,600 metric tons in 1900 to 75,000 tons in 1920 and 280,000 tons in 1940. Raw materials have been obtained from Italy, France, and Germany.

Nonmetallic Minerals

Canada's 1943 Production

Official statistics on the production of nonmetallic minerals in Canada in 1943 show 437,000 tons of gypsum, 25,489 tons of feldspar, 7,299,000 barrels of cement, 952,784 tons of lime, and clay products valued at $6,416,000.

Output of commercial salt for the year amounted to 309,239 tons.

Oils and Oilseeds

Increased Cottonseed Production, Argentina

Cottonseed produced in Argentina in 1943 amounted to 205,350 tons, compared with 155,016 tons in 1942. Production of cottonseed oil reached a new high.

Flaxseed Crushing in Argentina

Stocks of flaxseed on hand in Argentina on January 1, 1944, amounted to 1,000,000 tons, compared with about 3,300,000 tons at the beginning of 1943. During 1943 export demand was higher for both seed and oil than it had been in the preceding year, and appreciable quantities of seed were used for fuel.

In 1941 crushing of flaxseed was begun for the Government's account, to produce linseed oil for export; but by December 1942 the fuel problem caused the Government to authorize sale of flaxseed for fuel. Seeds did not prove satisfactory for this purpose, so efforts were concentrated on producing maximum amounts of oil. In the course of the year some 900,000 tons of seeds were crushed for fuel oil; and plans for 1944 include the crushing of some 1,200,000 to 1,500,000 tons of flaxseed.

It is expected that there will be an exportable surplus of about 1,300,000 tons of flaxseed in 1944.

Argentina's Vegetable-Oil Exports

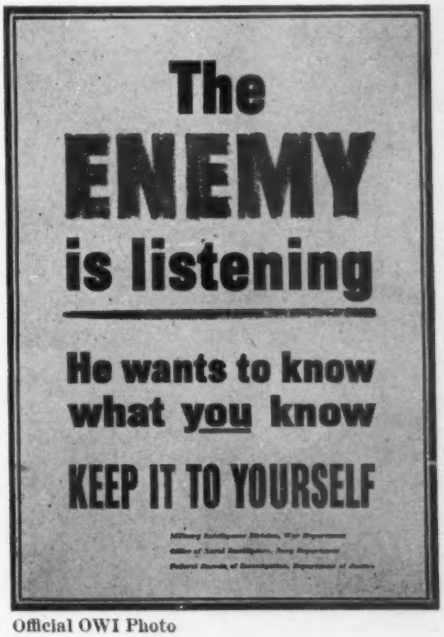
Exports of vegetable oils from Argentina in 1942 and preliminary figures for 1943 are included in the following table:

Kind of oil	Exports	
	1942	1943 [1]
	Metric tons	*Metric tons*
Sunflower seed	59,387	32,550
Linseed	33,523	35,222
Rapeseed	14,299	8,348
Peanut	7,900	1,334
Cottonseed	7,427	20,064
Corn oil	348	419
Castor oil	57	1
Other oils	8,795	3,292

[1] Preliminary

Source: Dirección de Economia Rural y Estadistica, Ministerio de Agricultura de la Nacion.

Estimated production of sunflowerseed oil in Argentina in 1943 was only 337,302 tons, compared with 670,000 tons in 1942. The decrease was largely the result of a drought which affected the crop so adversely that early in the year the Government ordered the cessation of shipments of sunflower seed and sunflower seed oil. Later in the year some



Official OWI Photo

oil was released for shipment, after it was assured that domestic requirements of some 75,000 tons could be met.

Prospects for 1944 are very bright. With a good price guaranteed, farmers increased acreage materially, and growing conditions have been good. There is a prospect of output from the current crop of as much as 1,000,000 metric tons of seed, which will permit an exportable surplus of 150,000 tons of oil in 1944.

Brazilian Production of Dehydrated Castor Oil

S. A. Industrias Reunidas F. Matarazzo will put up in Brazil a plant for producing dehydrated castor oil, according to a European trade journal. The dehydration process, a Brazilian development, calls for heating the oil in an atmosphere of inert gas in the presence of an acid catalyst and results in removing 4.7 percent of the combined water from the oil.

The plant is expected to have a capacity of 60,000 pounds of dehydrated oil monthly.

Ceylon's Production of Copra and Coconut Oil

Production of copra in Ceylon in 1944 is expected to be between 125,000 and 130,000 tons. However, if weather conditions should be unfavorable and if the current rate of home consumption of coconuts continues, these figures may be too high, especially in view of increased exports of the fruit.

During 1943 about 84,000 long tons of coconut oil were produced, of which some 40 percent was consumed locally. A production of 90,000 long tons is the aim for 1944, and if proposed construction of storage tanks is carried out, the goal may be reached.

Peanut-Oil Extraction in Surinam

The Government of Surinam is reported to have obtained machinery for the extraction of peanut oil and operations are said to have begun. Extension of the area under peanut cultivation has been under consideration.

Paints

Experiments of Canadian Paint Laboratory

Experiments reported by a Canadian laboratory indicate potential peacetime uses for camouflage paints, says a British trade journal.

Paints which reflect infra-red rays lessen heat absorption by painted surfaces, making buildings exposed to sunlight cooler. Gasoline storage tanks could be painted any desired color without appreciable loss of the heat reflectivity furnished by the white and aluminum coatings used at present.

A one-coat paint has been produced by blending several kinds of pigments; one group has high specific gravity and high infra-red reflectivity, and the other has low specific gravity coupled with high infra-red transmissive power.

U. K. Firms Making Aircraft Finishes Collaborate

British firms making aircraft finishes have collaborated closely during the war in their services to the Royal Air Force and the airplane industry, says an English chemical magazine.

The companies concerned have pooled technical information on these materials and, at the request of the Air Ministry and Ministry of Aircraft Production, formulas have been standardized to make them interchangeable and to assure a more even flow of supplies.

Paper and Related Products

Paper Manufacture in Argentina

The successful use of bagasse as a raw material in making paper and paper board by a recently established Argentine mill is reported by the foreign press. Assistance in equipping the mill was received from British machinery manufacturers.

Development of Australia's Pulp and Paper Industry

Post-war plans are being made by Western Australia's pulp and paper industry. The new Department of Industrial Development, in conjunction with the Forests Department, has been conducting widespread surveys of native timber resources to ascertain the availability of timber for a proposed wood-pulp industry in the Southwest. It was found that sufficient stands of marri timber were available, and experiments are now being made to determine the best methods of treatment.

Plans for the development of a transparent-paper industry which, before the war, had advanced to the stage where consultations with continental experts were being held to determine the possibilities of setting up this industry on an economical basis, are being reconsidered.

Expansions, costing about $16,140,000, have been proposed for Tasmania's newsprint industry. It is hoped that the additional capacity will increase output by approximately 500 percent, states the foreign press.

Wastepaper Collections, Toronto, Canada

Toronto, Ontario's most recent wastepaper drive at the end of January 1944 was successful. Collections, totaling 1,340 tons, exceeded by 91 percent the amount gathered in the December 2, 1943 drive, and were even greater than the amount collected in the first drive in April 1942 when several years' accumulation was available. Much of the waste paper collected in January is reported to have been already turned into containers in local paper mills.

Peru's Paper Industry

The Peruvian paper industry is virtually monopolized by two companies. One firm, operating a plant at Paramonga, manufactures paper and cement bags. Products of the other firm, the plant of which is located in the city of Chosica, include paper, gray cardboard, and asphalt roofing. Both plants have been modernized and expanded within the last year. Total production in the two plants was about 9,000 metric tons in 1943.

Esparto Grass, a Source of Paper Pulp, Spain

Approximately 6,000 square kilometers are under cultivation in esparto grass in Spain, and the estimated annual yield is 200,000 tons, says a foreign trade journal.

This grass is more than 50 percent cellulose and a valuable source of paper pulp. A yield of 200,000 tons would produce 80,000 tons of paper pulp.

Paper from Waste Konaf, U. S. S. R.

Laboratory tests were recently completed in the U. S. S. R. for the production of paper from waste konaf (Asiatic hemp). It is reported that this type of paper has insulating properties equal to those of paper made from cellulose.

Petroleum and Products

Production of Crude Petroleum in Argentina

Despite lack of drilling and operations equipment, production of crude petroleum in Argentina was maintained at normal levels in 1943. Shortages due to reduced imports did occur, but with the use of substitute fuels the problem was solved satisfactorily. Wood was the most widely used substitute fuel. Almost all the oil cakes produced went into fuel, as well as appreciable quantities of linseed oil and some wheat. Wheat did not prove to be adaptable, however.

It is expected that in 1944 linseed oil will be the chief substitute fuel, with wheat bran, oil cakes, wheat, and corn as supplementary fuels.

Bolivia's 1943 Production and Sales

Bolivian production of gasoline and kerosene during 1943 amounted to 16,-

774,480 and 3,190,213 liters, respectively. (1 liter=0.264 gallons.) Total sales, including imports, were 29,526,789 and 3,690,869 liters, respectively.

In January 1944 it was reported that monthly rations were on the following basis:

Vehicle	Liters
Private automobiles	80
Official automobiles	120 to 160
Busses	900
Small trucks	210
Large trucks	(1)

[1] Varying amounts depending upon length of trips.

Production and Exports, Canada

Crude oil and natural gasoline produced in Alberta, Canada, amounted to 769,913 barrels in January 1944, against 840,613 barrels in the corresponding month of 1943. Daily production dropped from 27,116 barrels in January 1943 to 24,676 barrels in January 1944.

Oil produced came from 307 wells, 254 of which are in Turner Valley. Natural gasoline produced in January 1944 was 43,630 barrels, or 1,407 barrels daily. Average daily production of natural gasoline in 1943 was 1,160 barrels.

Crude oil from the new oil field at Taber, with present daily potential production of from 1,400 to 1,800 barrels, is not being used at present because of transportation difficulties.

Natural gas production in Alberta during January 1944 from 348 wells, 275 of which are in Turner Valley, amounted to 5,524,476,000 cubic feet. The gas/oil ratio in Turner Valley was 3,410 cubic feet per barrel, compared with 2,770 cubic feet for the corresponding months in 1943.

Exports of petroleum from Canada in February 1944 were valued at $484,000 as against $234,000 in February 1943.

Distribution of Petroleum Products, Canary Islands

Petroleum products were distributed in the Canary Islands during 1943 as follows: 3,000 tons of fuel oil to Italian Red Cross vessels; 3,000 tons of gas oil to trawlers; 9,575 tons of fuel oil and 3,050 tons of gas oil to industrial plants on shore.

Increased Output of Petroleum Products, U. S. S. R.

Decorations have been awarded four Russian oil combines for meritorious work in increasing the output and refining of petroleum products and in prospecting new oil fields, say recent dispatches from newspapers in the several oil-producing republics of U. S. S. R. The recipients of honors were the Azerbaidzhan Petroleum Combine, the Stalinneft Petroleum Trust, the Bashkir and Grozny Petroleum Combines.

The over-all picture of the Russian petroleum industry is one of marked progress, according to the dispatches, with each producing Republic accounting for special accomplishment along one or more lines of endeavor.

In Azerbaidzhan, a Trans-Caucasian Republic in which is located the famous Baku oil center, production is said to be higher than it was before the war. The Azerbaidzhan Oil Refineries Trust more than fulfilled its quota for aviation gasoline, Diesel fuel, ligroine, kerosene, and aviation gasoline in August 1943 and more than overfilled October quotas for fuel and lubricating oils. Output of aviation gasoline at the plants belonging to the company has trebled in the last 2 years.

The Lenin Oil Trust, one of the leading trusts, fulfilled 100.6 of its plan for petroleum production and 100 percent for gas production. The Kirov plant during the last few months has increased considerably the output and repair of the equipment for oil plants.

The Ordzhonikidze Oil Trust during 8 month did not fulfill its plan for petroleum production.

Production of petroleum in Azerbaidzhan is said to be 50 times greater than it was in the days of the czarist regime. Many new fields have been opened since that time.

In the Uzbekistan Republic, with the well-known deposits in Fergana Oblast, the Palvan-Tash oil field of the Kalinin Oil Trust doubled in October the amount produced in September, and more than fulfilled its plan for drilling new wells. The Fergana ozocerite plant fulfilled 136.3 percent of its September mining plan.

Despite the fact that there is need for fuel oil for tractors and oil for manufacture of electricity and use in irrigation pumping stations, a promising area in the Pitnyak fields has not been worked. Oil is said to exist in several places in the Republic.

Although the Dossor and Koschagyl fields in the Kazakhstan Republic were above quota, the Kazakhstan Oil Combines as a whole decreased average daily production between July and September 1943, and did not fulfill their 9-month plan for production of oil and drilling of new wells. Only the Iskine, Dossor, and Komsomolsk oil fields fulfilled their plans. The Kulsary oil field produced 12,000 tons less oil than was provided for in the plan. The Dossor oil field is said to be increasing its production, and new oil deposits have been discovered in Northern Dosser and Paskuduk. In October the oil fields produced 7,062 more tons than in September. The Sagiz field was first, the Dossor second, followed by the Makat and Komsomolsk, both of which were well above planned production.

From Bashkiria, which promises, according to reports, to be a second Baku, comes information that the Ufa refinery, which had lagged behind schedule on production of petroleum products, fulfilled its quota in August, for the first time, and in September produced 101.6 percent of its allotment before the end of the month. The Ishimbaevo Oil Trust fulfilled 108 percent of its quota for production of crude oil and 104.7 percent of its drilling plan.

Recently the Kinzebulatovsk oil deposit was discovered and soon will be put into production.

The ozocerite mine located in the city of Kim in Tadzhikistan had fulfilled by November 22 its annual plan for production and pledged itself before the end of 1943 to put out 1,500 tons of ozocerite above plan.

Navy Dept.—Incentive Division.

In Kuibyshev Oblast (Province) all oil fields are claimed to have more than fulfilled August quotas for production with output 7 percent above that of July. The Stavropol oil field fulfilled 104.6 percent of its plant, the Kinel 103.8 percent, and Syzran Oil Trust 101.2 percent. Average daily output of the Kuibyshev fields is said to be 2½ times prewar level. Indications are that production can be increased still further.

Rubber and Products

Bulgaria to Produce More Synthetic Rubber

A sizable grant of money has been made by the Bulgarian Government to the Proiswodstwo-Plaisment, a synthetic rubber factory, to permit expansion of the industry, says the foreign press. Additional synthetic rubber is needed for footwear—rubber sandals being the first requirement.

Necessary machinery probably will come from Germany.

Many Products Made From Synthetic Rubber (Scotland), U. K.

Among synthetic-rubber products made and marketed by Scotch manufacturers are gaskets, washers, rings, buffers, tubing, and hose. These are in addition to a wide range of similar parts for mechanized packing and jointing, says the foreign press. Manufacturers claim that these products, the result of many years of experimenting even when crude rubber was abundantly available, are of high quality and usefulness.

New Use for Chlorinated Rubber

Chlorinated rubber dissolved in an organic solvent and applied as a paint is claimed by the foreign press to be in use in the sugar industry and to offer

possibility for successful use in the distilling industry as an anticorrosion covering. The substance, which can be applied to metals, stonework, brick, and wood, provides a tough film which is highly resistant to alkalies and acids alike in either diluted or concentrated form. In addition to having anticorrosive properties, the film is said to be nearly fireproof, because of its high chlorine content.

Shipbuilding

Launching of Cargo Motorship, Sweden

The launching at Marstrand, Sweden, of a 700-dead-weight ton cargo motorship, *Stadt Schleswig*, is reported in the foreign press. Built for Hamburg owners and intended for trade in the West Indies, the vessel is 58.1 meters long overall, 10 meters wide, and 5.7 meters deep to upper deck; the draught is 3.66 meters. It is propelled by a 750-horsepower Polar Diesel engine designed to give a speed of about 11 knots.

Soaps

Soap Production in Greece

Between 40 and 50 soap factories are reported to be operating in Greece at present. Production of soap was estimated at 12,000 tons during 1943.

Although domestic requirements are estimated at from 18,000 to 20,000 tons of soap annually, more than half of the 1943 commercial production was exported. Considerable quantities, however, are manufactured in households and small workshops.

One of the byproducts derived from the production of olive oil is oilseed cake which, when combined with bisulphide of carbon, yields sulphuric oil. This sulphuric oil cannot be used in food, but is an important ingredient in the manufacture of soap.

In normal times, annual production of olive oil in Greece reached 130,000 tons, from which about 20,000 tons of sulphuric oil was derived. Half of this quantity was exported; the remainder was used in soap production. The soap manufactured domestically is a hard, green laundry soap of good quality.

Soap-Making Industry of Honduras

The soap-making industry of Honduras did a good business during 1943, the factory at La Ceiba having manufactured 24,431 cases of soap.

Manufacture of Refined Soap, Panama

A program for the manufacture of a refined soap has been undertaken by the Compañía Panameña de Aceites, S. A., Panama. The company expects to have available approximately 120,000 pounds of glycerin per year. Large-scale production is not expected before 1945.

Special Products

Manufacture of Implement Handles, Australia

Australian demand for implement handles, particularly for military purposes, has grown to such an extent that a concern operating at Northam plans to increase its production. The Western Australian Department of Industrial Development is assisting the company to enlarge its plant.

Morrell timber is used chiefly for making the various types of handles, but other woods are being tested for suitability.

Stone, Clay, and Related Products

Production of Ceramics, British West Africa

The ceramics industry in British West Africa, set up by Achimota College and working since 1940, is now under the auspices of the newly formed Institute of Industries, Arts and Social Sciences. Apprentices are trained for a period of 4 years.

A steady flow of bricks, tiles, and water coolers for the Army has been turned out, and a pottery, reported in March to be nearly completed, already is producing cups for the collection of latex.

Textiles and Related Products

Embroidery and Basket Industries Active in Madeira

Maderia's embroidery industry flourished during 1943, despite an almost total absence of tourist trade, normally the main source of income. More than 20 percent of the inhabitants are directly or indirectly engaged in the embroidery industry.

Exports of hand embroideries soared to a value of 68,076,014 escudos in 1943, the highest in many years, and almost 20,000,000 above the preceding year's total of 48,520,060 escudos. The outlook for 1944 seems promising, although raw materials must be imported.

Large orders were received for willow baskets and bags in 1943, much of the demand formerly filled in the Far East having been diverted to the Islands. Exports during 1943 were almost double those of 1942, and present demand exceeds the available supply of willows.

Textile Production, U. S. S. R.

A notable expansion is taking place in textile production in Kirgizia, U. S. S. R., in Asia.

Under construction are a new cotton ginnery and a large cotton-spinning mill, say newspaper reports. Three knitted-goods factories and one sewing plant already have been erected and placed in operation. The reinstallation of one evacuated factory for manufacture of sacks (gunny bags) and twine is nearing completion. About 3,500,000 sacks are to be produced annually. A silk-spinning mill has been combined with a large silk-weaving establishment evacuated from the west.

Cotton and Products

Development of Latin American Cotton Mills

Cotton mills of Latin America have developed rapidly in recent years. A Brazilian publication gives the following figures on spindles in selected countries, in 1943:

Country	*Number of Spindles*
Brazil	3,058,324
Mexico	830,000
Argentina	387,664
Colombia	133,346
Peru	120,000
Venezuela	67,300
Chile	45,008
Ecuador	44,000
Cuba	40,600
Guatemala	20,154
Bolivia	6,000

Production in Bulgaria

In 1943 approximately 70,000 hectares of cotton were reported to have been planted in Bulgaria, with a yield of 100,000 to 110,000 quintals.

Bulgaria reportedly has 30 spinning mills, 75 weaving mills, and 5 combined establishments, with a total of 180,000 spindles and 4,000 looms.

Despite claims of increased production, the European press states that the textile supply is one of Bulgaria's great unsolved problems.

Cotton Ginning in Iraq

From September 1942 to August 1943, Iraq's three ginneries handled 2,546,459 kilograms of cotton and produced 4,061 bales (792,513 kilograms) of lint cotton. From September 1943 to January 31, 1944, 997 bales (191,334 kilograms) of lint cotton were produced.

Textiles of Fine Quality Scarce in Turkey

Fine-quality textiles reportedly are scarce in Turkey, although some fancy cloths and embroidered curtain nets have been received from Switzerland. Hun-

gary has supplied poplins, prints, and plain fabrics, and some shipments of grey cloth have come through from India, says a British publication.

UGANDA'S COTTON EXPORTS

From January to August 1943, approximately 114,000 bales (of 400 pounds) of cotton were shipped from stations and ports in Uganda, reports a British trade journal. This is about 49 percent below the quantity shipped in corresponding months of 1942.

Up to the end of August more than 1,099,000 acres had been planted for the next crop.

Silk and Products

SERICULTURE IN BULGARIA

Silk-cocoon production in Bulgaria in 1943 is reported as 23,854 quintals, compared with only 17,287 quintals in 1942, says the European press.

Synthetic Fibers and Products

RAYON-FABRIC IMPORTS INTO JAMAICA, B. W. I.

During the first 6 months of 1943, imports of rayon fabrics into Jamaica increased to 2,898,711 yards, against 2,395,252 yards received in the corresponding period of the preceding year, says a foreign publication.

INDIA'S RAYON IMPORTS

Imports of rayon yarn into India from April 1 to August 31, 1943, were valued at 17,037 rupees, reports a British trade publication. In the corresponding period of 1942, imports of rayon yarn reached a value of 245,965 rupees. In the corresponding months of 1943, imports of rayon fabrics also had dropped materially, being valued at only 37,865 rupees, compared with 1,068,537 rupees, in similar period of the preceding year.

Wool and Products

BULGARIA'S WOOL SUPPLY

Bulgaria reportedly has 11,500,000 sheep which produced about 80,000 quintals of wool in 1943. The yield per sheep is admitted to be very low.

Wool manufacture is said to embody 11 spinning mills, 7 weaving mills, and 24 combined spinning and weaving establishments, with a total of 55,000 spindles.

An improvement is reported in the supply of woolen cloth, but purchases can be made only after applicants have satisfactorily proved their urgent need for cloth and have turned in old woolen garments.

GOAT-HAIR PRODUCTION AND IMPORTS, PALESTINE

Approximately 100 tons of goat hair are produced in Palestine annually, and a similar amount usually is imported. This is used within the country for making tents, sacks, rope, rugs (one-third goat hair and two-thirds wool), saddle bags, and nose bags.

INTERIM WOOL RATIONS ISSUED TO MANUFACTURERS, U. K.

Interim wool rations were issued to cloth manufacturers in the United Kingdom for the March to June production period. This developed increased business in utility and nonutility yarns during the second week of March.

Permits have been issued for manufacture of specified weights of hand-knitting yarn, baby wool, and worsted spun mending yarn.

Sales of utility cloth between January 25 and February 12, 1944, for the clothing trade's May to August production period were below the Board of Trade program.

Miscellaneous Fibers

BULGARIA PLANS TO INCREASE HEMP SUPPLY

To facilitate hemp production, the Bulgarian Government has authorized the granting of 7-year interest-free credits for construction of new retteries, improvement of existing units, and installation of more efficient macerating equipment, say foreign press reports.

Wearing Apparel

TROUSER MANUFACTURE IN NICARAGUA

A trouser-manufacturing industry was scheduled to be inaugurated in Managua, Nicaragua, upon completion of the installation of a new electric machine, reported to be underway in January. The plant will have a capacity of 240 pairs of trousers daily.

Tobacco and Related Products

CUBA'S 1944 TOBACCO CROP

Tobacco harvesting was reported in March to be well on its way in Cuba. Every indication pointed toward a better-than-average crop both as to quantity and quality, owing to increased plantings and good weather.

Current estimates place the 1944 crop at more than 60,000,000 pounds, or about 50 percent more than last year's small crop and 20 percent more than those of other recent years. War-born acceleration of domestic consumption and exports will insure the ready absorption of this exceptional crop.

Cuban exports of leaf and cigars continued large during February.

DOMINICAN REPUBLIC'S 1944 TOBACCO CROP

Tobacco dealers of the Dominican Republic foresee a poor year in 1944, owing to a drought in the northern part of the country which has caused serious damage to the current crop. Estimates are that the 1944 tobacco yield may be as small as 3,000 metric tons and, for the most part, of poor quality.

Plantings have been light, and replanted seedlings have been damaged by lack of rain. Land irrigation has been attempted in a few cases but has not generally proved successful.

Stocks carried over from previous years are negligible, but buyers are still showing interest in whatever tobacco may be available. Remnants of the 1943 crop were reportedly sold for $10 and $11 per kilogram unit, depending upon the grade.

Jute-Growing Experiment Started in Dominican Republic

The Dominican Republic has begun experiments in the growing of jute with an eye to possible local production of bagging made from jute for the handling of its coffee, cocoa, and sugar, says a statement by the Office of the Coordinator of Inter-American Affairs.

Samples of the first jute ever grown in the Dominican Republic are being sent to the United States for testing, according to the publication "Agricultura e Industria" of San Pedro de Macoris, R. D. Seeds harvested from the initial planting and those already on hand are enough for 3,087 acres, the magazine says.

In 1942, the Dominican Republic imported 5,460,898 jute bags weighing approximately 11,000,000 pounds at a cost of about $1,000,000. That same year the Dominican Republic also imported 3,199,060 bags of other materials at a cost of more than $200,000.

Production of domestic fibers for the manufacture of bagging is one of the outstanding hemisphere developments resulting from wartime curtailment of fiber imports from the Far East. Many of the Americas are finding new sources of wealth in their domestic fibers and in the establishment of fiber-growing industries.

Brazil, which requires millions of coffee bags annually, is producing jute on a large scale in the Amazon Valley and is supplementing jute with increased use of other home-grown fibers. Other American republics experimenting with jute growing include Venezuela, Argentina, and Peru.

U. S. Export Control and Related Announcements

(Developments communicated to the Trade Controls Unit up to Tuesday, April 18, 1944)

The Requirements and Supply Branch, Bureau of Supplies, Foreign Economic Administration, has issued the following Current Export Bulletin:

No. 527—*Current Export Bulletin No. 158, April 18, 1944*

COMMODITIES THAT MAY BE EXPORTED TO THE OTHER AMERICAN REPUBLICS UNDER THE "BLT (BLANKET) EXPORT LICENSE PROCEDURE

I. Effective immediately exporters may apply for a "BLT" (blanket) export license for the commodities listed in section VI below. The general provisions of the "BLT" license are set forth in Current Export Bulletin No. 153. (Announcement 522 in FOREIGN COMMERCE WEEKLY for March 25, 1944.) Special provisions, as applied to specific commodities, are set forth herein.

II. Exporters in applying for the "BLT" license should submit the proper form or forms in accordance with one of the procedures listed below. (Refer to: Current Export Bulletin No. 146 (Announcement 515 in FOREIGN COMMERCE WEEKLY for February 19) which sets forth FEA's preference rating authority under WPB's Directive 27.)

A. If the commodity to be exported does not require a preference rating or does require a preference rating and is valued at $500 or less, the form FEA 119 should be submitted in triplicate.

B. If the commodity to be exported is valued at more than $500 or is a commodity for which FEA does not have rating authority, the exporter should submit form FEA 119 in quadruplicate and form WPB 541 in triplicate. Under Item 6–A on page 1 of form WPB 541 the applicant should state: "See attached list of consignees and purchasers made a part of this application", and attach a copy of this list to each copy of the form.

Each application for the "BLT" license must contain as much detailed information as an individual license application for the same commodity.

III. Although the "BLT" license when approved will be valid for a period of one year, the total quantity of an allocated commodity that can be licensed during any one quarter is limited by the quarterly allocation of that commodity established by the War Production Board.

More than one "BLT" license application for the export of the same commodity to the same country and consignee or different consignees may be submitted during any one quarter.

IV. AMENDMENT OF SECOND PARAGRAPH, SECTION C, Current Export Bulletin No. 153.

The second paragraph of Section C, Current Export Bulletin No. 153, is amended to read:

"On the license application in the upper part of the space used to name and describe the commodity, the following legend should be written:

" 'Application is hereby made to permit the applicant named above to export from the United States to the purchasers and consignees designated on the attached list the articles and materials described, in the quantity given, provided that the aggregate quantity of all such exports to the purchasers and consignees named therein does not exceed the total quantity for which the license is granted. This will certify that we have firm orders on hand from the purchasers listed at least equal to the quantity applied for on this license'."

V. As stated in the announcement of the "BLT" export license, this procedure is only applicable for the exportation of commodities to countries which do not require Import Recommendations or similar documents for those commodities.

VI. Commodities that may be exported under the "BLT" export license procedure:

Commodity	Schedule B No.
Abrasives:	
Steel wool	5413.00
Brass and Bronze:	
Blow torches	6479.98
Bolts, machine screws, nuts, washers (except railroad)	6479.98
Pipe fittings (CMP Code 573)	6454.30
Wood screws (whether or not plated)	6458.00
Electrical Machinery and Apparatus:	
Airport beacons and searchlights (exclude antiaircraft searchlights)	7066.00
Batteries, dry, multiple cells, except flashlight batteries (include earphone batteries)	7017.00
Batteries, flashlight batteries	7016.00
Batteries, No. 6 dry-cell batteries	7015.00
Batteries, other dry-cell primary batteries (exclude wet cell batteries)	7018.00
Capacitors (CMP Code 500)	7079.01
Capacitors (CMP Code 500)	7079.98
Capacitors (CMP Code 500)	7081.98
Capacitors (CMP Code 500)	7076.98
Electric soldering irons	7074.90
Flashlight cases	7060.00
Floodlights	7067.00
Fuse plugs under 3200 volts, containing mica (CMP Code 417)	7034.05
Fuse plugs under 2300 volts, other (CMP Code 417)	7034.98
Radio receiving tubes (CMP Code 511)	7078.05 7078.98 7079.98 7076.98
Resistors (CMP Code 506)	
Iron and Steel Manufactures—Cutlery:	
Pruning, grass, hedge and sheep shears, machetes and cane knives	6119.00
Razors, safety	6112.00
Razor blades, safety	6113.00
Scissors, shears and snips (report tinners' snips in 6170.00)	6114.00
Table cutlery, including forks (report table cutlery made of or plated with precious metals in 6955.00–6958.00)	6115.00
Iron and Steel Manufactures—Nails and Bolts:	
Bolts, machine screws, nuts, rivets and washers (except railroad)	6099.00
Iron and Steel Manufactures—Stoves:	
Coal and wood cooking and room-heating stoves	6139.00
Gas stoves, ranges, and room and water heaters	6143.00
Gasoline stoves and room and water heaters	6146.00
Kerosene cooking stoves	6144.00
Kerosene room and water heaters	6145.00
Parts of gas, kerosene, and gasoline stoves and heaters (include cabinets, ovens, mounted wicks, etc.)	6147.98
Iron and Steel Manufactures—Tools:	
Augers, bits, gimlets, gimlet bits, and countersinks, woodworking	6157.10
Axes (broad and hand)	6153.00
Band, pit, drag, and mill saws (woodworking)	6155.20
Circular saws, except diamond (not metalworking)	6155.18
Crosscut, hand, back, and other saws and parts (include saw teeth, hack saw frames and coping saw blades)	6156.98
Files and rasps (CMP Code 644)	6158.10 6158.50
Hand hoes, rakes, and forks	6161.00
Hand operated bit braces and parts, woodworking	6157.10
Hand tools and parts n. e. s. (include heavy forged tools, nonelectric soldering irons, metal measuring tapes and rules, trowels, and other tools n. e. s.) (CMP Code 646)	6178.98
Hammers: carpenters, caulking, claw, blacksmiths, stone-cutting (exclude mechanics' hand service hammers)	6160.00
Hatchets	6160.00
Hay and manure forks	6159.00
Planes, chisels, gauges, and other hand operated cutting tools and parts (report metal-cutting tools in 6170.00)	6178.10
Shovels, spades, scoops, and drainage tools	6162.00
Vises, household and woodworkers'	6163.00
Iron and Steel Manufactures—Tubular Products:	
Pipe fittings—steel (CMP Code 572)	6077.98
Iron and Steel Manufactures—Miscellaneous:	
Blow torches	6209.98
Wood screws	6200.00
Machinery—Industrial:	
Fluid milk shipping containers, commercial (CMP Code 627)	7593.00
Machinery—Printing and Bookbinding:	
Repair parts for bookbinding machinery (CMP Code 823)	7793.00
Repair parts for printing and typesetting machinery (CMP Code 823)	7795.00
Miscellaneous:	
Beverage crowns, metal (CMP Code 623)	9080.90
Office supplies—Miscellaneous:	
Fountain and stylographic pens of plastic materials (cellulose, acetate, nitrocellulose and synthetic resins)	9309.00
Fountain and stylographic pens, other, n. e. s.	9310.00
Pen points, metallic (report gold in 6997.00)	9315.00
Pencils, mechanical, of plastic materials (cellulose acetate, nitrocellulose and synthetic resins)	9301.00
Pencils, mechanical, of other materials, n. e. s.	9302.00
Pencils, not mechanical, of black lead	9304.10
Pencils, not mechanical, other n. e. s.	9304.20
Precious metals:	
Silver plated knives, forks, and steak sets	6958.00
Silver plated ware, others, including tableware, ornamental silverware and manufactures, n. e. s.	6959.00
Sterling and other solid silverware knives, forks and steak sets	6955.00
Sterling and other solid silverware; others, including tableware, ornamental silverware, silver solder and manufactures, n. e. s.	6956.00
Valves:	
Aluminum valves 4" or larger, piping system (CMP Code 575)	6309.07
Brass or bronze valves 4" or larger, piping system (CMP Code 575)	6454.57
Brass or bronze valves under 4", piping system (CMP Code 575)	6454.58
Copper valves 4" or larger, piping system (CMP Code 575)	6439.07
Iron or steel body valves for steam, water, oil and gas (CMP Code 574)	7745.98
Steel valves, piping system	7745.05
Vehicles—Miscellaneous:	
Wheelbarrows	7991.00

NOTE.—In certain cases the commodities listed above are shown with the appropriate CMP number, as well as the Schedule B number. Where the CMP number is shown, the exporter should determine that the commodity to be exported under the "BLT" export license procedure comes within the CMP classification, as well as within the Schedule B classification.

Plastics and Plastics Materials

(Continued from p. 15)

various applications as synthetics or substitutes for other materials. Among the many uses are raincoats, umbrellas, and waterproof utensils.

France

The European press reports that, although the French chemical industry has been affected by shortages, there has been development in the plastics field and these materials are being used to a greater extent as substitutes for metals.

Sponsored by the German Plastics Technical Association, a so-styled International Plastics Manufacturer's Association has been formed with headquarters in Paris. The new organization, which covers the industry throughout

occupied Europe, is believed to deal mainly with standardization of both products and testing methods.

Australia

A factory at Sydney, Australia, has commenced production of synthetic resins and is expected to supply many paint manufacturers and other consumers who formerly used imported products. It is reported that this company has acquired from a United States company the exclusive license to manufacture and sell in Australia and New Zealand the products in which the United States company is interested—namely, synthetic resins, plastic substances, moldings, and composition sheets.

The injection method of plastic molding is being used successfully by an Australian company whose plant in New South Wales has been given over to the manufacture of war materials, according to a British press. Higher production speed and lower cost are advantages claimed for the process.

Three powders are chiefly used in injection molding—cellulose acetate, polystyrene, and powders containing a shellac base. The latter two now are being made experimentally in Australia, and satisfactory progress is being made, it is reported.

South Africa

The plastics industry has been developed to a very limited extent in South Africa, with several firms producing articles from resinoids and imported molding materials. The British press reports however, that a South African company near Johannesburg has commenced the manufacture of several important plastic products made entirely from domestic raw materials. Products include dielectric items, such as heavy switch mounting boards and tubular and extruded rods, and a number of molded articles including containers. The market for the finished products is limited to the few industries using plastics and a consuming population of roughly 2,000,000 whites. Unless the industry is counting on strong protection from the Government after the war, it is doubtful whether it would be able to withstand competition from abroad.

Salient Phases of Outlook

"Foreign Trade After the War" (a publication issued by the U. S. Department of Commerce) embodies a hypothetical projection of foreign trade in the post-war year 1948. Plastics and plastics materials are not mentioned separately therein but are included in broad commodity groups of consumer products that utilize plastics and plastics materials and thus are indirectly reflected in the $7,000,000,000 export total visualized. One may repeat that this is merely a hypothetical projection based on past relationships and obviously could not include adjustment to present progressive factors with which United States producers and manufacturers are familiar and which should materially increase distribution.

Such factors include (*a*) expanded introduction of plastics and plastics materials abroad, (*b*) the impact of our plastics industry's accelerated research on world demands, and (*c*) an enlarged outlook as to market opportunity.

Previous trade surveys indicate that the normal South American market for plastics materials is one that approximately doubled in size every 5 years up to the outbreak of present hostilities. In 1938 the plastics-materials market in those countries equaled about 2,000,000 pounds. Assuming that 1948 represents the normal post-war trade year, this market would represent a potential of around 8,000,000 pounds or more. Naturally, the United States plastics industry's attitude toward this market will be influenced by certain factors, among which may be mentioned:

(*a*) Available supply of plastics materials from other countries to South America after the war.

(*b*) The United States plastics industry's ability to compete on a price and credit basis with other countries.

(*c*) The size of the United States post-war domestic market.

(*d*) The United States plastics industry's post-war stock situation.

(*e*) The strides that South America makes or will make in supplying its own needs for plastics materials.

No other country is as well equipped as the United States to sponsor current and post-war developments. Latin America has potentialities for every branch of our plastics industry, offering opportunities for both buying and selling, and it affords a springboard for competition elsewhere. Furthermore, as Latin American countries continue to become more industrialized, the better their position will be to purchase such items as radios, automobiles, refrigerators, and many other products originating in the United States. An increase in demand for these products would in turn further stimulate our domestic demands for plastics and plastics materials.

Latin American Exchange Rates

NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollars to the peso. The peso of the Dominican Republic, the Guatemalan quetzal and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to 1 dollar.

Country	Unit quoted	Type of exchange	Average rate			Latest available quotation		
			1942 (annual)	1943 (annual)	Feb. 1944 (monthly)	Rate	Approximate equivalent in U. S. currency	Date
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	$0.2681	Mar. 18, 1944
		Official B	4.23	4.23	4.23	4.23	.2364	Do.
		Bid	4.94	4.94	4.94	4.94	.2024	Do.
		Free market		4.06	3.99	4.02	.2488	Do.
Bolivia	Boliviano	Controlled	46.46	42.91	42.42	42.42	.0236	Mar. 27, 1944
		Curb	49.66	45.42	49.07	49.50	.0202	Do.
Brazil	Cruzeiro [1]	Official	16.50	16.50	16.50	16.50	.0606	Feb. 29, 1944
		Free market	19.64	19.63	19.63	19.63	.0509	Do.
		Special free market	20.52	20.43	20.30	20.30	.0493	Do.
Chile	Peso	Official	19.37	19.37	19.37	19.37	.0516	Mar. 18, 1944
		Export draft	25.00	25.00	25.00	25.00	.0400	Do.
		Curb market	31.75	32.37	31.38	31.75	.0315	Do.
		Free	31.13	31.00	31.00	31.00	.0323	Do.
		Gold exchange	31.13	31.00	31.00	31.00	.0323	Do.
		Mining dollar	31.13	31.00	31.00	31.00	.0323	Do.
		Agricultural dollar	31.13	31.00	31.00	31.00	.0323	Do.
Colombia	do	Controlled	1.75	1.75	1.75	1.75	.5714	Mar. 25, 1944
		Bank of Republic	1.76	1.76	1.76	1.76	.5682	Do.
		Stabilization Fund	[2]	[2]	[2]	[2]	[2]	Do.
		Curb	1.77	1.76	1.75	1.75	.5714	Do.
Costa Rica	Colon	Uncontrolled	5.71	5.65	5.64	5.64	.1770	Feb. 29, 1944
		Controlled	5.62	5.62	5.62	5.62	.1779	Do.
Cuba	Peso	Free	1.00	1.00	1.00	1.0000		Do.
Ecuador	Sucre	Central Bank (official)	14.39	14.10	14.10	14.10	.0709	Do.
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	.4902	Do.
Mexico	Peso	Free	4.85	4.85	4.85	4.85	.2062	Do.
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	.2000	Mar. 25, 1944
		Curb		5.16	5.30	5.60	.1786	Do.
Paraguay	Paper peso	Official	333.00	[4] 333.00	333.00	333.00	.0030	Nov. 7, 1943
	Guarani [5]	do		3.10	3.10	3.10	.3226	Feb. 29, 1944
Peru	Sol	Free	6.50	6.50	6.50	6.50	.1528	Mar. 25, 1944
Salvador	Colon	do	2.50	2.50	2.50	2.50	.4000	Feb. 29, 1944
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	.5263	Mar. 25, 1944
		Free	1.90	1.90	1.90	1.90	.5263	Do.
Venezuela	Bolivar	Controlled	3.35	3.35	3.35	3.35	.2985	Feb. 29, 1944
		Free	3.45	3.35	3.35	3.35	.2985	Do.

[1] Under law of October 6, 1942, the cruzeiro became the unit of currency, replacing the milreis. Since November 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[2] For class 2 merchandise, 1.795; class 3, 1.87; class 4, 1.95.
[3] For class 2 merchandise, 1.765; class 3, 1.775; class 4, 1.785.
[4] Used until November 7, when the paper peso was replaced by the guarani.
[5] New currency unit instituted as of November 8, 1943.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

The Swedish Federation of Labor now has 1,038,808 dues-paying members; in 1943, 15,669 new members were added.

New Books and Reports

★The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin April 8, 1944

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for the price of 10 cents each; subscription price $2.75 a year. The April 8 issue contains these articles:

THE IMPORTANCE OF INTERNATIONAL COMMERCE TO PROSPERITY.

ACCIDENTAL BOMBING OF SCHAFFHAUSEN.

SOVIET STATEMENT REGARDING RUMANIA.

PETROLEUM QUESTIONS: PRELIMINARY DISCUSSIONS BY THE UNITED STATES AND THE UNITED KINGDOM.

ALBANIA'S STRUGGLE FOR FREEDOM: STATEMENT BY THE DEPARTMENT OF STATE.

THE PROCLAIMED LIST: CUMULATIVE SUPPLEMENT 1 TO REVISION VII.

THE INTERNATIONAL LABOR CONFERENCE AT PHILADELPHIA; BY OTIS E. MULLIKEN.

INTER-AMERICAN COMMISSION OF WOMEN.

PRESENTATION OF LETTERS OF CREDENCE BY THE MINISTER OF THE UNION OF SOUTH AFRICA.

CELEBRATION IN CHILE OF THE DAY OF THE AMERICAS.

VISIT TO THE UNITED STATES OF THE HEAD OF THE MUNICIPAL LIBRARY OF HABANA.

RETURN FROM CHINA OF UNITED STATES TECHNICAL EXPERT.

BLAIR-LEE HOUSE.

AGREEMENT FOR UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION.

FINAL ACT OF INTERNATIONAL WHALING CONFERENCE.

INTER-AMERICAN INSTITUTE.

RENEWAL OF NAVAL MISSION AGREEMENT WITH PERU.

Other Publications

QUIN'S METAL HANDBOOK AND STATISTICS 1943. Compiled by F. B. Rice-Oxley. 1943. 320 pp. 30th ed. Presents data on output, imports, and exports of metals, for the principal countries of the world. Includes a monograph on the properties and uses of commercial grades of nonferrous ores, notes on specifications and uses of copper and copper alloys, new additions to notes on uses and properties of minor metals, and a brief summary, accompanied by charts, of the method and procedure of iron and steel manufacture. In two parts (alphabetically arranged): Part 1, prices and statistics; part 2, reading matter and reference tables.

Available from: Metal Information Bureau, Ltd., Ibex House, Minories, London E. C. 3.

UNITED STATES TRADE WITH THE OTHER AMERICAN REPUBLICS 1942. U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce. 1944. 136 pp. A statistical summary and analysis of United States trade with the other American Republics in 1940 and 1941, and, with the exception of strategic, critical, and military items, in 1942. Brings up to date, as far as is possible under restrictions on publication, the information given in Bulletin No. 25, of the International Reference Service for 1941.

Available gratis from: Bureau of Foreign and Domestic Commerce, Washington 25, D. C.

LOW-COST HOUSING IN LATIN AMERICA. Pan American Union, Division of Labor and Social Information. 1943. 20 pp. Illus. Price, 10 cents. Outlines in general terms the low-cost housing needs in Latin America, and the trend toward inter-American cooperation in meeting the problem of providing adequate shelter for the low-income population. Describes both local and national efforts to provide low-cost housing to workers, and indicates the principal housing laws and projects.

Available from: Pan American Union, Washington, D. C.

"WARTIME NATIONAL FOREIGN TRADE WEEK" MAY 21–27, 1944. Chamber of Commerce of the United States, Foreign Commerce Department. 1944. 30 pp. A summary of available foreign-trade material, published in 1943 and 1944, that would be helpful in stimulating discussion at community programs observing "National Foreign Trade Week" (sponsored annually by the Chamber of Commerce of the United States), and in promoting wider public understanding of the international trade problems confronting the United States now, during war, and in the post-war years to come.

Available gratis from: Chamber of Commerce of the United States, 1615 H St. N.W., Washington 6, D. C.

THE PLACE OF SILVER IN MONETARY RECONSTRUCTION. H. Michell. 1944. 20 pp. Monetary Standards Inquiry No. 11. Single copy gratis; additional copies, 10 cents. A discussion of the need for a sound system of "hard money" that will function satisfactorily as a medium for world trade, once the war is over. Maintains that a system of international bimetallism is more suitable than a single standard for post-war monetary reconstruction, and draws attention to the important part that silver might play in this connection.

Available from: The Monetary Standards Inquiry, 408 Graybar Building, New York 17, N. Y.

THEIR HEADS SHALL RISE AGAIN. George F. Taubeneck. 1943. 201 pp. Price, $5. The report of a journey around the world just prior to the beginning of World War II, showing how people live and work, and how they think, in Malaysia, India, Mediterranean Africa and the Near East, and in all of Europe. Attempts to personalize the war—to show that it is being fought for people and resources and human ideals. Illustrated with many on-the-spot photographs.

Available from: Business News Publishing Co., 5229 Cass Avenue, Detroit, Mich.

CANADA'S FINANCIAL SYSTEM IN WAR. Benjamin H. Higgins. 1944. Our Economy in War Occasional Paper 19. 87 pp. Price, 50 cents. Shows how Canada has mobilized its financial system for war. Describes the wartime functioning of different financial institutions, and traces the effects of war-finance measures on such institutions. Finally, compares Canadian war-financing methods in the two World Wars, and suggests lessons that may be learned relative to war finance and post-war reconstruction problems.

Available from: National Bureau of Economic Research, Inc., 1819 Broadway, New York 23, N. Y.

THE OFFICIAL RAILWAY EQUIPMENT REGISTER OF THE UNITED STATES, CANADIAN AND MEXICAN RAILROADS. The Railway Equipment and Publication Co. January 1944. Vol. LIX, No. 3. 672 pp. Price, $3.50. Shows, by car numbers, the marked capacity, length, dimensions, and cubic capacity of cars used to transport freight. Considers transportation economies, car handling, and other items of special importance in railway operation. Contains official information on equipment by ownership and car number, and official instructions concerning rendering of reports and settlement of accounts pertaining to car service and car repairs, together with registration of rolling-stock equipment of the railways and car companies of the North American continent.

Available from: The Railway Equipment and Publication Co., 424 West 33d Street, New York 1, N. Y.

RAILWAY LINE CLEARANCES AND CAR DIMENSIONS INCLUDING WEIGHT LIMITATIONS OF RAILROADS IN THE UNITED STATES, CANADA, MEXICO, AND CUBA. The Railway Equipment and Publication Co. 1943. No. 153. 288 pp. Price, $3. Contains data concerning local clearances and through routes and interline routes, arranged under appropriate headings of the respective railroads.

Available from: The Railway Equipment and Publication Co., 424 West 33d Street, New York 1, N. Y.

Railway traffic in France has been cut drastically because of coal shortages. Since November 1, 1943, some trains have operated only certain days of the week, states the foreign press.

Contributors' Column

B. F. Cooling ("Plastics and Plastics Materials: Post-war Foreign Markets, Latin American Potentialities").—Born in Philadelphia, Pa. Received elementary education in public schools of that city and attended Pennsylvania State College. Graduated from Syracuse University, with the degree of B. S., majoring in chemistry. After service in World War I, was associated with several large chemical manufacturers for a number of years prior to entering Government service in 1939 with the Public Buildings Administration, Supervising Engineer's Office. Employed in War Department from 1941 to 1943 in the Ordnance Division, High-Explosives Section. Transferred to the Bureau of Foreign and Domestic Commerce in March 1943 as an Economic Analyst. Previous articles include "Plastics-Materials Post-War Outlook" and "Plastics Industry Keeps on Growing."

Illarion G. Matveev ("Mongolia").—Graduate of Kiev (Russia) Gymnasium and Military School. Commissioned as second lieutenant in Russian forces in 1917. University of the Far East, Vladivostok, Division of Oriental Studies, LL. B., 1922. Stanford University, B. A. in Economics, 1931. University of California, M. A. in Political Science, 1937. Mr. Matveev has traveled widely through the Far East, including Siberia, China, Mongolia, Manchuria, and Japan. His chief interest lies in political and economic relationships of the Pacific powers in respect to Manchuria, Mongolia, and the Russian Far East. When the present article on Mongolia was written, he was a member of the Far Eastern Unit, Bureau of Foreign and Domestic Commerce.

Ernest C. Ropes ("Russia Restores Reoccupied Areas").—Born in Brooklyn, N. Y. Educated in private schools in St. Petersburg, Russia, and Brooklyn, N. Y. B. A., Columbia College, New York City, 1899. Before entering Government service engaged in publishing and bookselling, the paper and pulp business, and stocks and bonds. From 1919 to 1922, Y. M. C. A. secretary in North Russia and Estonia. Entered the Bureau of Foreign and Domestic Commerce in 1923. Became Russian specialist in 1925 and has continued in that capacity to date, except for an absence of 6 months in 1928, devoted to a trip to the U. S. S. R. for the Remington Rand Co. Is now Chief of the Bureau's newly established Russian Unit. Mr. Ropes is the author of numerous articles, reviews, etc., in Government publications and was the editor and compiler of Russian Economic Notes from 1928 to 1940—a weekly and semimonthly bulletin on economic and other developments in the Soviet Union. He also has written articles on banking in the U. S. S. R., which appeared in the magazine Banking, and other special articles in American and British publications.

Russia Restores Reoccupied Areas

(Continued from p. 5)

carburetors, and related equipment, as promised.

Trained personnel sent to the reoccupied districts included 3,587 outstanding farm workers and specialists, returned to their former abodes, including agronomists, zoötechnicians, veterinarians, and engineer-mechanics. In addition, 590 technical-school graduates were assigned to the districts in need.

Deliveries of fuel and lubricants were accomplished according to schedule, satisfying all pressing needs for these necessary commodities.

New-Building Achievements

The housing program (VII) was fulfilled to the extent of accommodating 1,813,614 people, by building 326,461 houses in towns and workers' settlements, and 266,050 in villages; these figures included restoration where possible. Of the new building-materials plants, 25 had been erected by January 1, 1944, several exceeding the planned capacity; other plants were nearly completed. Factories for standard houses that started operation numbered 11, of the 13 planned, manufacturing barracks of 800 apartments each month; the other two were to be ready to produce by March 31, 1944.

The plan for construction or rebuilding of railroad stations and service buildings called for under Point VIII resulted in the restoration of all the 122 stations listed in the decree, on the 14 lines affected; of 588,900 square meters (floor space) of housing, against 520,000 square meters planned; of 1,399 line barracks and 2,137 shanties, as compared with 1,157 and 1,703 called for.

The railroad employees also benefited from the decree, being assigned, under Point IX, 52,903 hectares of tilled land for their garden plots, and 42,268 hectares of hay-meadow, and given 4,557 small pigs, besides being exempted from obligatory deliveries in kind to the State.

Help for Child-Victims

The special attention given in the provisions of the decree to war-orphans and other child-victims of the war, under X, was carried into effect completely in the erection of schools and other institutions in the devastated areas. All nine of the Suvorov military schools were set up by December 1, 1943, and 4,588 pupils had been enrolled. Similarly, the 23 trade schools were organized, and took in 9,000 children. Special children's homes, 118 in number, were established, with an enrollment of 14,391, but room for the full 16,300 was provided for. These were in the best buildings in the particular district, and peasants and other inhabitants there contributed building materials, livestock, furniture and dishes, food supplies, and money and household goods. As a result, the homes now own 268 horses, 472 cows, 435 hogs, 605 sheep, and 4,923 hens; 4,045 hectares of land were assigned to their use. And the setting-up of receiving and distributing stations exceeded expectations: 36 stations, accommodating 2,300 children, were in operation by January 1, 1944.

Hard Work, Planning, Did It

It is emphasized in the report of February 5, 1944, that the results attained were the consequence of organized work and cooperation of "Party, Soviet, and agricultural organs," and of the peasants, workers, and employees in the districts included, all working to put through the various undertakings listed.

The details of the execution of the program confirm the impression of the outline here presented, of a tremendous job more than fulfilled, by the hard work of many people of all classes pulling together to accomplish a purpose that all could understand.

Disorganization in the Rationing System in Belgium

Volk en Staat, German-controlled paper published in Antwerp, Belgium, not long ago attested to the complete breakdown of the regulation system regarding food, in the following disillusioned words:

"There was a time when thefts of coupons were committed by the hundreds. Why are they less numerous now? Quite simply because the whole rationing system is so disorganized that it is not necessary to have ration coupons. You can buy everything without them."

Producer-Gas Propulsion in Britain

At the end of 1943 some 320 public-service vehicles owned by one group of companies in Great Britain were being run on producer gas. The chairman of the companies has stated publicly, according to British press reports, that in even its present early stages of development producer-gas propulsion of motor vehicles is adequate, and that vehicles belonging to his company alone traveled 5,800,000 miles in 1943 by producer-gas use.

Fewer Mining Claims Canceled in Ontario in 1943

Mining claims recorded in Ontario in 1943 exceeded cancelations for the first time in 5 years. A report of the Ontario Department of Mines shows 5,017 claims recorded and 2,857 canceled in 1943, compared with 3,593 claims recorded and 9,028 canceled in 1942. In the period 1939–43 inclusive, 24,303 claims were recorded and 37,466 canceled.

The geographical distribution of the new claims indicates that a large proportion of them are gold prospects.

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